

NEWS SUMMARY

GENERAL

Raiders
jailed
for 15
years

A Dutch court in Assen yesterday sentenced three South Moluccan guerrillas to 15 years in jail for murdering a hostage during a raid on a government office block in Assen. The sentences were the heaviest ever imposed on Moluccan guerrillas in Holland.

The prosecution had demanded 18-year sentences for the three, the oldest of whom was 23. Dutch marines freed the 70 hostages after 29 hours, after the guerrillas had shot dead a 40-year-old civil servant.

Switzerland: Two West German guerrillas, Gabriele Kroeber-Tiedemann and Christian Moeller, were jailed for 15 years and 11 years respectively on charges including the attempted murder of two Swiss customs men.

160 injured in van blast
At least 160 people were injured when an ice cream van exploded near New York's Wall Street financial area yesterday. Police said later that the blast could have been caused by a bomb planted in the van or by a faulty compressor.

Six people were said to be seriously hurt. Others were treated for cuts and burns after the blast, which blew out windows in neighbouring blocks.

Massacre victim
Mary Fisher, badly injured survivor of last week's guerrilla massacre of 12 British missionaries and children in Rhodesia's Elim Pentecostal Mission, has died in Salisbury hospital.

Mondale in Israel
U.S. Vice-President Walter Mondale arrived in Israel amid the tightest security since Egyptian President Anwar Sadat's November peace mission. Originally to celebrate Israel's 30th anniversary, the visit seems likely to centre on Middle East peace. Page 3

U.S. journalists
American newsmen Craig Whitely and Harold Piller were given more time for legal advice from Moscow City Court adjourned its hearing of a slander suit filed by Soviet television over their treatment of a story on a jailed dissident.

Actor killed
Actor Bob Crane, who played Colonel Hogan in the television comedy series Hogan's Heroes, was found bludgeoned to death in a flat in Scottsdale, Arizona. He was apparently asleep when his killer struck.

UN session ends
Winding up an unprecedented five-week disarmament session, UN members approved the restructuring of the Geneva negotiating machinery, with France agreeing to join the talks for the first time.

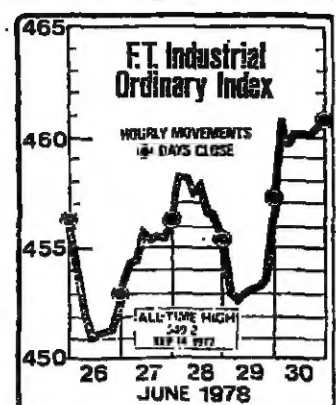
Carter poll blow
Americans are unhappy with President Carter's performance in the White House and confused about his policy towards the Soviet Union, according to a U.S. opinion poll. Only 38 per cent approved of Mr. Carter's handling of the presidency.

Briefly...
Rennes police made two arrests in connection with an attack on Monday at the Palace of Versailles.
One man was shot and 17 people arrested at a Rolling Stones concert in Lexington, Kentucky.
Archaeologists at Lake Victoria have discovered one of Africa's earliest industrial areas—an iron Age site dating from 500 BC.
At least 11 people were injured when the Madrid-Valeencia train collided with a lorry at a level crossing.
Prince Michael of Kent married Baroness Marie Christine von Reibnitz at a brief civil ceremony in Vienna.

BUSINESS

Equities
lifted
by wage
hopes

EQUITIES were encouraged by dividend and wage prospects. The FT 30-share index rose 3.5 to 460.8 for a gain of 4.5 on the



week. Rises exceeded falls for the first time in 10 sessions—by four to one in FT-quoted industrials.

GILTS gained 1 in the longs after the Prime Minister's wage warning. The Government Securities Index gained 0.27 to 69.52 for a rise of 0.31 on the week.

STERLING fell 65 points to \$1.8600. Its trade weighted index was 61.3 (61.6). The dollar's trade weighted depreciation was 7.2 (7.1) per cent. The yen reached a record \$203.00 against the dollar before closing at \$203.55 (\$205.20).

WALL STREET closed 2.69 lower at 818.93.

GOLD fell \$1 to \$183; in featureless trading. The New York Comex July contract was \$182.30.

U.S. BANKS started raising their base rates from 8 1/2 per cent to 9 per cent. Back Page.

FRENCH franc fell sharply after Presidentiscard scotched rumors that it would rejoin the European snake. Back Page

IATA starts crucial talks

INTERNATIONAL Air Transport Association started a key meeting in Montreal to discuss a report on fares which concentrates on the North Atlantic. It has been suggested British Airways and Pan American might leave IATA in the dispute over international fare structures. This could cause the collapse of the association.

BOEING will sign a multi-million dollar aerospace contract with Japan which will guarantee production of the next generation of civil aircraft until the 21st century. This will not prejudice Britain's chances of participating in the proposed 737 project. \$10m Navy order. Page 3

PRICE COMMISSION will probe Lever Bros. soap and detergent charges and a proposed Royal Doulton Tableware price increase. Back Page

FLEET STREET owners are considering action "to protect the interests" of national newspapers after a move by the National Union of Journalists to withdraw from the national pay agreement. Page 4

WORKING TIME required to buy a bottle of whisky has fallen from six hours to three hours 20 minutes on average earnings. That for half a pound of tea has risen from 21 minutes to 28 minutes. Page 3

SPONNER INDUSTRIES has rejected a bid from Sandvik. Page 16

GENERAL ELECTRIC Company will become a junior partner in a venture with Finer Controls of the U.S., a subsidiary of Monsanto. Back Page

GREAT UNIVERSAL Stores subsidiary Global of London (Tours and Travel) is considering buying three Boeing 737 jets, which could cost £20m net, and starting an airline. Weekend Brief Page 15

Callaghan to press
for single-figure
earnings increases

BY PHILIP BASSETT, LABOUR STAFF

The Prime Minister told trade union leaders yesterday that the Government wants single-figure earnings increases in the next wage round. He made it clear that it would press for a limit with or without trade union co-operation.

The Government would produce its own figure for wage increases in the next round after consultation with the TUC and the CBI which would be "much more modest" than the 10 per cent guideline for Phase Three.

Mr. Callaghan told trade unionists at the annual conference of the Confederation of Shipbuilding and Engineering Unions at Eastbourne: "I will fight in the country to get that view accepted."

Initial trade union reaction to his initiative was guardedly favourable.

According to one union leader, Ministers have made it clear to TUC leaders that the Government is seeking increases of 5 per cent in the next wage round which begins in four weeks' time, with a further 2 per cent for correcting pay policy anomalies.

Mr. Callaghan told the Confederation, which represents 2.5m workers, that this was the best way to guarantee jobs and an increased standard of living.

The Government could not stand aside from wages when 30 per cent of the country's wage earners had their pay determined or influenced by the Government because of its intervention in industry and the public services.

However, trade unions and the CBI would be asked for their observations on its economic analysis, the level of growth and the future level of inflation.

Mr. Roy Grantham, general

secretary of the Association of Professional, Executive, Clerical and Computer Staff, said that if the unions reached an accommodation with the Government for the next year the shorter working week they could co-operate on inflation.

However, Mr. Grenville Hawley, of the Transport and General Workers, which is committed to ending pay restraint, said the union was unlikely to change its policy.

Rupert Cornwell writes: While the Prime Minister was appealing to the unions, Mr. David Steel, Liberal leader, called for a long-term policy on prices and incomes that would gain broad national acceptance.

He proposed that an annual maximum should be laid down after discussions with both sides of industry. Companies which infringed it would have to pay an "extra 1 per cent national insurance surcharge for every 1 per cent paid over the limit."

Mr. Steel told an audience in Cleethorpes that such a policy would be enshrined in the Finance Bill.

Sir John Methven, Director-General of the Confederation of British Industry, said: "The Prime Minister is right to emphasise the need for greater moderation in pay settlements."

"Excessive pay settlements will only make our products more expensive and less competitive, with the result that more people will lose their jobs."

Importance

He was not surprised to find that the level of increases was higher than 10 per cent, which "in terms of the impact on inflation has not been anything to write home about."

He stressed the importance of the Government's relationship with the unions and tried to woo them by listing Labour's achievements for workers.

They included repeal of the Industrial Relations Act, the new Employment Protection Act, the Health and Safety Act, and the Health and Safety Commission.

Mr. Torry, Duffy, president-elect of the Amalgamated Union of Engineering Workers, said Mr. Callaghan had convinced trade union leaders at the Confederation of the value of "not too extortionate" wage demands.

Mr. Roy Grantham, general

Judge's decision puts
ACAS policy in doubt

BY ALAN PIKE, LABOUR CORRESPONDENT

THE ADVISORY Conciliation and Arbitration Service was declared yesterday to have "misdirected itself in law" in a High Court judgment which throws into question its whole policy of discouraging the entry of new unions to established areas of industry.

An ACAS report which refused to recommend recognition for the non-TUC affiliated United Kingdom Association of Professional Engineers at APE, Allen, a Bedford engineering company, in spite of 79 per cent support among the staff it wished to organise, was declared void by Mr. Justice May.

The High Court decision, which is likely to have far-reaching implications in the acutely sensitive area of white-collar union recognition, was immediately welcomed by leaders of unions not affiliated to the Confederation of Shipbuilding and Engineering Unions, and which are trying to enter the engineering industry.

Mr. John Sampson, general secretary of UKAPE, said: "At last justice is begin-

ning to appear in industrial relations."

Mr. John Lyons, whose TUC-affiliated Engineers and Managers Association is struggling against TUC opposition to be recognised on behalf of managers in the shipbuilding industry and individual engineering companies, commented that the court decision was a "stinging rebuff for ACAS and the Engineering Employers' Federation, which have both been trying to impose unions on professional and managerial staff which they do not want to join."

The judgment opened the door for all such staff to join his association "confident in the knowledge that ACAS cannot block legitimate recognition claims," said Mr. Lyons.

In the recognition battles since the Employment Protection Act came into force, the Engineering Employers' Federation and the Confederation have maintained a common front in their opposition to unions which are not party to the industry's national procedure agreement.

Details of judgment, Page 4

Bidder for J. B. Eastwood named

BY ANDREW TAYLOR

CARGILL INCORPORATED, one of the world's largest grain traders, with annual sales of more than \$100m (£50m), emerged yesterday as the bidder for J. B. Eastwood, the U.K.'s largest egg and chicken producer.

The name of the U.S. bidder was announced almost simultaneously with Eastwood's year-end results, which revealed a 42 per cent decline in pre-tax profits to March 31, 1978.

U.S. agricultural northwestern group, is bidding 132p a share for Eastwood, which values the British group at about £22m. The offer already has the backing of the Eastwood family and group directors controlling a 38 per cent stake.

Eastwood blamed a depressed market and subsequent squeeze on meat and poultry margins for its profits decline. It said the profits were particularly disappointing in view of the more optimistic outlook at the time of its half-year results.

Cargill, a private company controlled by two families, has wide-ranging interests in farm products as well as in chemical, coal, steel and financial operations. Group net annual profits are about \$100m (£50m).

It is involved in poultry and egg production in a number of countries, but not as yet in Britain. Eastwood has lost an eighth of the UK market in

eggs and chicken production. Eastwood also has animal feed interests, largely for internal purposes, as well as pig, poultry, and its own marketing and distribution businesses.

The egg and poultry side is the most attractive to the U.S. group, according to its British merchant bank advisers J. Henry Schenker Wages.

Profile, Page 2

£20,000 rise
proposed for
State chiefs

BY JOHN ELLIOTT, INDUSTRIAL EDITOR

A CHALLENGE to the Government to put aside its pay policy limits and award salary increases of up to £20,000 a year to nationalised industry chairmen and other top public servants was thrown down yesterday by an official pay review body.

The proposed increases would add up to 70 per cent to some salaries and for example, would take the chairmen of industries such as rail, gas, electricity and the coal up from about £24,000 a year to £44,000, with some others going as high as £45,000 and £50,000.

The Government's reply to this challenge, thrown down by the pay review body under the chairmanship of Lord Boyle, chairman—proposed for chairmen to be announced until next week. But it is widely assumed that, despite loud outcries from some Labour MPs yesterday, the rises will be phased over two or more years with this year's in-

watered down for most of those concerned and were not implemented at all in the nationalised industries. Yesterday's report called this indefensible and hinted that the Boyle members might resign unless the Government implemented its new proposals.

Nationalised industry chairmen and board members are angry at the way they have been treated and probably regard yesterday's proposed salary levels as the lowest conceivable when their position is related to private sector salaries and the rate of inflation.

For example, the main £40,000 level—£18,834 net after tax for top salaries review body under the chairmanship of Lord Boyle, chairman—proposed for chairmen to be announced until next week. But it is widely assumed that, despite loud outcries from some Labour MPs yesterday, the rises will be phased over two or more years with this year's in-

TOP RISES RECOMMENDED		
	Present salary	Proposed salary
Nationalised industry chairmen:		
British National Oil Corporation	£30,000*	£50,000
National Enterprise Board	£33,000	£45,000
British Steel Corporation	£30,000	£45,000
British Rail	£24,500	£40,000
Central Electricity Generating Board	£22,500	£35,000
Other senior public servants:		
Head of Home Civil Service	£20,500	£28,000
Permanent Secretary	£19,000	£26,000
Lord Chief Justice	£21,000	£34,000

* Lord Kearton, the present chairman, waives his salary.

creases being limited to 10 per cent. However, Ministers are go to the British National Oil Corporation — the present incumbent, Lord Kearton, values his salary at the lowest of £16,000, £10,546 after tax, to the £50,000—£18,834 after tax—would

It is hoped that such pay levels would make it easier to recruit for salary structures to be corrected among the industries' senior executives. At present some top executives below board level earn more than their board members.

Yesterday's report acknowledged that the proposed rises should be phased in three stages over two years to April 1980, and said the average of the increases was 31 per cent. This amounted to 8.6 per cent a year over the period from 1975, during which the retail price index had risen by nearly 65 per cent.

Continued on Back Page
Details of report, Page 4

Bilston
steel
strike
threat
lifted

By Christian Tyler, Labour Editor

THE THREAT of a national steel strike over the closure of its Bilston works in Staffordshire, was withdrawn yesterday when the British Steel Corporation undertook to maintain the plant at its present level of output pending talks with the unions.

BSC withdrew a letter from a local manager which had called for talks on the phased run-down of the works, where 2,400 are employed, even though unions at national level have not yet replied to BSC proposals to shut the plant.

Mr. Eric Varley, Industry Secretary, reacted to the threat of a strike by the Iron and Steel Trades Confederation by ringing Sir Charles Villiers, BSC chairman, to say he was extremely unhappy at the way the Corporation had handled things.

It was disclosure of the letter on Thursday that led confederation leaders to abandon their delegate conference in Scarborough and call an emergency executive meeting. BSC yesterday said it had recanted the letter by the time Mr. Varley rang the chairman.

A truce was reached yesterday evening after the TUC's conference, hastily convened for its own discussion, went on to meet Dr. David Grieve, managing director of personnel at BSC's London head quarters.

Moratorium

Mr. Bill Sirs, confederation general secretary and chairman of the TUC committee, said the intended closure of two of Bilston's four open-hearth furnaces would not now go ahead on August 6.

The unions called for a moratorium on all closure talks—perhaps of six months—to let the anger of workers subside.

The whole issue will be fed into a recently-established joint planning committee which the BSC hopes will meet soon.

Mr. Sirs commented: "The thought they could push it and push us and that we would submit to anything they did to us, because we have co-operated over a long period of time. On members are not going to be kicked into submission."

He did not accept implication that the letter had been sent to anything they did to the local manager alone. Dr. Grieve, who called U. Continued on Back Page
Steel: The not so golden handshake, Page 14

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CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

Treas. 13p 1980	£102 + 3	Marks & Spencer	148 - 6
Essex 12p 17 (14.5p)	£44 + 3	Next	280 - 3
Albright & Wilson	154 + 3	Parkinson Bros.	540 - 17
Asos. Newspapers	167 + 3	Ratners	71 - 6
Asos. Newspapers	167 + 3	Samuel (H.) A.	265 - 9
Brown & Jackson	208 - 7	Tex Abrasives	62 - 3
Cadwall	125 + 8	Thomson Org.	263 - 12
Dale Elved	100 + 3	Time Products	139 + 5
Eastwood (J. B.)	125 + 35	Weston-Sumner	162 - 8
Fitch Lovell	208 + 1	BH South	110 - 3
GEC	255 + 10	Hambros	168 - 6
Glaxo	276 + 12	Moss (H.)	71 - 2
GUS A	197 + 7	Nat. Carbonising	76 - 6
Henderson & Kent	197 + 7	Siebens (UK)	242 - 10
Hickson & Welch	172 - 17	Guthrie	438 - 1
IC Gas	62 + 4	Southall	484 - 14
Lookers	62 + 4	Western Deep	737 - 25

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قائمة المحتويات

HOME NEWS

st talk
Gatwick grows faster than Heathrow



BY LYNTON MC LAIN

MOVES BY the British Airports Authority to persuade more passengers to use Gatwick are having an impact on Heathrow. Heathrow is still the largest airport in Britain and one of the largest in the world with its capacity of 30m passengers a year. But latest figures from the authority show that passenger traffic last month at Gatwick grew four times faster than at Heathrow compared with the same month last year. More than 22m passengers used Heathrow last month, 7 per cent up on the previous May. In comparison, 687,700 passengers used Gatwick, a rise of 26 per cent on the same month last year. Stansted, Essex, improved its growth record last month at 13.9 per cent. It is double that of Heathrow. The marked growth at Gatwick was mainly because of the move of all whole-charter flights after April 1 from Heathrow and Stansted. This was designed to take the pressure off Heathrow and use the new capacity at Gatwick, where a £100m, six-year expansion programme has been completed. This has boosted capacity to 16m passengers a year, but in the year to the end of May only 6.8m passengers used the airport. The authority wanted to use this spare capacity by boosting the number of scheduled flights to and from Gatwick. These moves, backed by the Government, have failed.

Persuasion

The authority is concentrating on persuading airlines serving Canada, Spain and Portugal to use Gatwick as their UK base. The Government has used the bilateral route talks with Canada to raise the issue of Air Canada's withdrawing from Heathrow for Gatwick. The authority said last night that success would mean the reciprocal transfer of all British Airways flights between the UK and Canada to Gatwick. A duty-free shop was opened this week at Gatwick for travellers to the Irish Republic. The move by the authority followed the decision by the UK and Irish Governments to permit duty-free facilities between the two countries. Flights to Eire from Gatwick are handled through domestic flight channels which by-pass the existing duty-free shop.

Planners to hold 'surgeries'

CITY OF LONDON CORPORATION planners want to meet the people who live and work in the City to find out how they think it should develop in the next decade, so they have arranged a series of "surgeries". The City is preparing a development plan and wants to discuss its topics for transport, recreation and leisure, catering, archaeology, community services and pedestrian walkways. There will be two public meetings, at Guildhall on Wednesday and the Barbican on July 10, and six surgeries, at which members of the planning staff will meet people individually to hear their comments and suggestions.

Fiat recalling 5,000 cars

FIAT is recalling 5,000 of its 127 model sold in Britain during 1974 and 1975, for a check on a brake hose. The problem is similar to that encountered by most other car manufacturers who were forced to use a different type of material for the hose under a common Market ruling.

Navy orders £10m Boeing hydrofoil

BY LYNTON MC LAIN

THE NAVY has gone ahead with its plan to buy a £10m Boeing hydrofoil for fishery protection duties in the North Sea. The order was announced last night by the Ministry of Defence. The 117 tonne vessel will be bought off-the-shelf from Boeing in a move which means a temporary end to the plans of British Shipbuilders to build hydrofoils under licence in under-used shipyards. Mr. Michael Casey, chief executive of British Shipbuilders, said that the Boeing order would mean some work for the British equipment manufacturers. No details were given, but all Jet-foils are understood to contain a small number of UK components. The craft to be delivered to the Navy late next year will be similar in most respects to the existing passenger-carrying version. The changes necessary to meet its new role may provide limited work for other UK companies. The Ministry said: "Boeing has undertaken to direct its best efforts to arrange for work unique to the craft to be performed in Britain."

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May casts a cloud over brewers

BY KENNETH GOODING

MAY was a disappointing month for brewers: beer production fell by 0.5 per cent from the May last year level to 3.65m bulk barrels (about 1.025bn pints). The Brewers' Society said the performance was mainly affected by the poor weather. Certainly, with two bank holidays in the month, the industry might have expected a reasonable increase in sales which, to some extent, would have been reflected in the May output statistics. The society said: "With beer prices likely to be fairly stable for some months, subject to their being no duty increase, this year's performance will be largely dictated by the amount of midsummer sunshine."

Boosted by some large increases in early months, output for the first five months of this year totalled 15.86m barrels (equivalent to about 4.568bn pints) and was 3 per cent ahead of the same period last year. This is almost in line with the society's recent forecast that the UK beer market can be expected to grow at an average annual rate of 2.33 per cent from 42m barrels (12.1bn pints) this year to 49m barrels in 1985. Such a performance would not be very different from historic trends for the industry has seen a steady 2 to 4 per cent rise in annual output since 1959 except for a slight downturn last year. Built into the forecast, by the society's statistical advisory group, were predictions on the economy, beer prices and population. Average weather was assumed, although it is known that a hot summer can increase beer sales by 2 per cent.

There are no price increases on the Chrysler Hunter Super, since cars or Rancho models. Examples of changes include: Sunbeam LS 1.6 £2,499 (£2,429); Alpine GL £3,291 (£3,196); Alpine GLS four-door, £3,450 (£3,418). Chrysler commercial vehicle prices will also rise by an average 4.8 per cent.

Joseph would cut grants

BY RUPERT CORNWELL

SPARRING over the contents of Labour's election manifesto heated up last night as leading Left-wingers called for the party to commit itself to higher public spending, an expanded role for the National Enterprise Board and a much more stern line with the EEC. Mr. Eric Heffer, a prominent member of the national executive committee and of the Parliamentary Tribune group, insisted on a Left-leaning manifesto, based on Labour's 1976 policy programme and on decisions of the last party conference. However, the more controversial demands certainly will be strongly resisted by the Prime Minister. Although Labour's manifesto in theory is worked out jointly by the Cabinet and the committee, Mr. Callaghan is determined to imprint his moderate views firmly on it. The main priorities laid down by Mr. Heffer at a Labour rally in Crawley last night were: Progress towards a shorter working week, more work-sharing and earlier voluntary retirement, coupled with increased public spending especially on health and education, to bring down unemployment; Changes in the workings of the Common Market to meet the needs of the UK, if these cannot be agreed, Britain should take steps to extricate itself from the EEC.

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Home loan Bill becomes law

THE GOVERNMENT'S scheme to give cheap loans to first-time home buyers became law yesterday when the Royal Assent was given to the Home Purchase Assistance and Housing Corporation (HPCA) Bill.

The new joint company, which has not been named yet, will be controlled by Monsanto with a 33 per cent stake by GEC. It will be split probably into two divisions. The control valve side will be run by the Americans, while the instrumentation and process control business probably will be run by GEC. The new company will be marketing control systems to all types of industry, but it will start from Fisher's strong position in petrochemicals, and industry which accounts for about half of the total market.

NEWS ANALYSIS—PROCESS CONTROL

GEC link-up in controlling the future

BY MAX WILKINSON

THE JOINT venture announced yesterday between the General Electric Company and Fisher Controls of the U.S. stems mainly from the increasingly international character of control valve and process control businesses. Many of the big customers are oil or petrochemical companies with plant on both sides of the Atlantic. At present, GEC has little stake in the U.S. process control market while Fisher, a subsidiary of the Monsanto group, is relatively weak in Europe. The two are hoping that they will be able to combine their marketing strengths, particularly when dealing with multinationals with headquarters in the U.S. and subsidiaries in Europe. The companies hope their technological strengths will prove complementary, because Fisher's main emphasis is on the manufacture of control valves, while GEC's strength is in process control and instrumentation. From GEC's point of view, the venture is a way of getting into the U.S. market, which at \$1.3bn a year for control valves and process control is about the same size as the European market and about a third of the world market. The size From Fisher's point of view, GEC will provide know-how in the instrumentation and control fields and, perhaps more important, expertise in the use of electronics which are gradually taking over from mechanical and electro-mechanical control systems. The new joint company, which has not been named yet, will be controlled by Monsanto with a 33 per cent stake by GEC. It will be split probably into two divisions. The control valve side will be run by the Americans, while the instrumentation and process control business probably will be run by GEC. The new company will be marketing control systems to all types of industry, but it will start from Fisher's strong position in petrochemicals, and industry which accounts for about half of the total market.

Less work needed to buy a wee dram

By Peter Riddell, Economics Correspondent



1970 1977

THE WORKING time required to buy a bottle of whisky has fallen from six hours to three hours and 20 minutes since the beginning of the decade. This is revealed in a Commons written answer showing the number of minutes work required to pay for various items for a male manual worker over 21 on average gross weekly earnings and hours.

The inquiry shows that the working time required to buy a wide range of consumer items fell sharply between October, 1970 and 1974 and increased in the three years to last autumn. It may have slipped back since then in view of the faster growth in earnings in the current pay round. The most spectacular changes have been in weekly mortgage repayments where the number of minutes work jumped from 520 to 740 in 1970-74, but fell back to 580 by last autumn. This reflects the fluctuations in the mortgage rate. The time required to pay the rent of a council house has fallen. Among the clearly more expensive items have been the cost of postage, telegrams, tea, cod fillets and cheese. Comparisons are affected by the level of indirect taxes as well as by the rate of growth of prices and earnings. This was particularly rapid in 1974, thus reducing the working time required to purchase an item. The sharp rise in oil prices of 1973-74 has made little long-term difference to the figures and the number of minutes required to buy five gallons of petrol has fallen slightly compared with 1970 and 1974. The working time required to buy 5 cwt of coal fell from 510 to 380 minutes in the four years to October, 1974, but since has climbed to 580 minutes.

Labour's Left-wingers call for more public spending

BY RUPERT CORNWELL

SPARRING over the contents of Labour's election manifesto heated up last night as leading Left-wingers called for the party to commit itself to higher public spending, an expanded role for the National Enterprise Board and a much more stern line with the EEC. Mr. Eric Heffer, a prominent member of the national executive committee and of the Parliamentary Tribune group, insisted on a Left-leaning manifesto, based on Labour's 1976 policy programme and on decisions of the last party conference. However, the more controversial demands certainly will be strongly resisted by the Prime Minister. Although Labour's manifesto in theory is worked out jointly by the Cabinet and the committee, Mr. Callaghan is determined to imprint his moderate views firmly on it. The main priorities laid down by Mr. Heffer at a Labour rally in Crawley last night were: Progress towards a shorter working week, more work-sharing and earlier voluntary retirement, coupled with increased public spending especially on health and education, to bring down unemployment; Changes in the workings of the Common Market to meet the needs of the UK, if these cannot be agreed, Britain should take steps to extricate itself from the EEC.

Sime Darby cleared 'reluctantly'

THE BUSINESS ethics of an international trading group were criticised yesterday by a judge in the High Court. The directors of Sime Darby Holdings, which has substantial interests in the Far East, had behaved badly while trying to break into the property business in Britain, said Deputy Judge Sir Douglas Frank, QC. As a result, a Surrey company which became involved with Sime Darby ran into financial trouble. The company, Clarke and Smith Industries, of Wallington, sued Sime Darby, claiming damages of nearly £3m for alleged breach of contract. Sir Douglas, giving judgment, dismissed the action "reluctantly". There must be judgment for the defendants, he said, notwithstanding that their Board had behaved in its corporate capacity in a way in which it would not, he felt sure, "dream of behaving in their private affairs". The judge said that Major John Clarke, Clarke and Smith chairman, met executives of Sime Darby in 1971. CSI owned a number of potential development projects and the defendants wished to become involved in the property business. Sime Darby suggested the two groups form a separate company to develop Clarke and Smith's sites. But the proposition, agreed to by Major Clarke, led to his com-

pany and its subsidiaries acquiring "more property than they would otherwise have done on money borrowed on the strength of assurances given to the bank of the defendants' interest." After changes on the Board of Sime Darby, interest in the property venture cooled. A factor was the "collapse" of the property market at the end of 1973. As Clarke and Smith's financial situation became increasingly serious, Sime Darby refused to accept that any agreement made

'Clash of evidence' at tanker inquiry

SIR GORDON WILLMER, chairman of the Liberian Board of Inquiry investigating the Amoco Cadiz disaster, drew attention yesterday to the clash of evidence given by the tanker's master and the master of the salvage tug which went to the vessel's assistance. Sir Gordon suggested to Captain Bardari, master of the Amoco Cadiz, that there might have been room for "misunderstandings" between the two men on the day of the disaster because all conversations between them were in English although neither spoke English fluently. Captain Bardari said that he

did not think this was a possibility because "what we were saying was simple." Sir Gordon told him that if there were no misunderstandings caused this way "one or the other of you must be telling an untruth." Captain Bardari replied: "I am saying honestly that I did understand." Both Captain Bardari and Captain Hartmut Weinert, master of the German tug Pacific, were cross-examined on their evidence yesterday — in particular on suggestions that there had been delays in the rescue attempts because of wrangles over salvage contracts.

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HOME NEWS

BOYLE REPORT ON TOP SALARIES

Support for 70% pay rises

BY JOHN ELLIOTT, INDUSTRIAL EDITOR

PAY RISES of £15,000 a year or more for chairmen of public service nationalised industries, plus increases of up to £11,000 for senior judges and other top public servants, were recommended yesterday in the Boyle Report on Top Salaries.

These amounts rise of up to 70 per cent, and the report says that they should be phased in not more than three stages for full implementation by April 1, 1980. The average increase recommended is 31 per cent which averages out, says the report, at 8.5 per cent for each of the years since its last review in 1974.

During that period, it points out, the retail price index has risen by 63 per cent.

Two reasons
The report acknowledges that in some cases the salaries recommended involve substantial increases. There are two simple and interrelated reasons for this: many of the appointments currently receive salaries that reflect part only of those that were recommended by us — and accepted by the Government — as appropriate at January 1, 1978; and the great majority of nationalised industry Board members currently receive salaries that were based on the 1969 recommendations of the National Board for Prices and Incomes, increased only marginally on the basis in 1972, and subsequently supplemented by the modest amounts permitted under pay policies since that date.

"In these circumstances, it is hardly surprising that the individual increases now appropriate are larger than those recommended for January 1975 which are much less so.

"They will appear large when set against the background of three years of restraint measures but the period covered by our recommendations is longer than three years, and it includes the first half of 1975 which, as our survey has confirmed, as the end of a period of exceptional increases for earnings at all levels in other sectors," says the report.

The Government would have considered the recommendations against the background of the continuing need for restraint and staging may therefore be necessary.

Three stages
But we wish to make three points unequivocally. First and foremost, there must be no termination on this occasion of any one of the four steps covered by our recommendations. "Second, we agreed it as vital at the Government should give clear commitment in principle to the salaries that we recommended and should provide for their immediate introduction in full for pension purposes."

Third, there should not be more than three stages, with the level of the full recommended levels not later than April 1, 1980. "It will be necessary also to ensure that the recommendations are brought into date by the normal review process in the intervening period. The Government has committed to this in respect of the April 1, 1980, recommendations from the review body on doctors' and dentists' remuneration and the review body on armed forces' pay. The same principle should

d. Chairmen and members of Nationalised Industry Board

	Chairman (£)	Deputy Chairman or equivalent (net salaries in brackets) (£)	Full-time Board member (£)
British National Oil Corporation	50,000 (18,939)	32,500-41,500 (15,811-17,589)	27,000-35,000 (14,408-16,231)
National Enterprise Board	45,000 (17,882)	31,500-38,500 (15,364-16,922)	26,000-31,500 (14,108-15,445)
British Rail Corporation	40,000 (16,824)	26,500-32,500 (14,198-15,588)	21,000-26,000 (12,590-14,108)
British Gas Corporation	40,000 (16,824)	26,500-32,500 (14,198-15,588)	21,000-26,000 (12,590-14,108)
British Shipbuilders	40,000 (16,824)	26,500-32,500 (14,198-15,588)	21,000-26,000 (12,590-14,108)
National Coal Board	40,000 (16,824)	26,500-32,500 (14,198-15,588)	21,000-26,000 (12,590-14,108)
British Airways Board	40,000 (16,824)	26,500-32,500 (14,198-15,588)	21,000-26,000 (12,590-14,108)
British Aerospace	40,000 (16,824)	26,500-32,500 (14,198-15,588)	21,000-26,000 (12,590-14,108)
Electricity Council	40,000 (16,824)	26,500-32,500 (14,198-15,588)	21,000-26,000 (12,590-14,108)
Central Electricity Generating Board	35,000 (15,767)	25,000-30,500 (13,752-15,144)	20,500-25,000 (12,417-13,809)
United Kingdom Atomic Energy Authority	35,000 (15,767)	25,000-30,500 (13,752-15,144)	20,500-25,000 (12,417-13,809)
Scottish Development Agency	28,000 (14,286)	20,500-25,000 (12,374-13,752)	16,500-20,000 (10,919-12,244)
National Freight Corporation	28,000 (14,286)	20,500-25,000 (12,374-13,752)	16,500-20,000 (10,919-12,244)
Civil Aviation Authority	28,000 (14,286)	20,500-25,000 (12,374-13,752)	16,500-20,000 (10,919-12,244)
Cable and Wireless	28,000 (14,286)	20,500-25,000 (12,374-13,752)	16,500-20,000 (10,919-12,244)
Commonwealth Development Corporation	25,000 (13,509)	18,000-22,000 (11,480-12,861)	14,000-17,500 (9,772-11,318)
North of Scotland Hydro-Electric Board	25,000 (13,509)	18,000-22,000 (11,480-12,861)	14,000-17,500 (9,772-11,318)
South of Scotland Electricity Board	25,000 (13,509)	18,000-22,000 (11,480-12,861)	14,000-17,500 (9,772-11,318)
Welsh Development Agency	25,000 (13,509)	18,000-22,000 (11,480-12,861)	14,000-17,500 (9,772-11,318)
British Transport Docks Board	25,000 (13,509)	18,000-22,000 (11,480-12,861)	14,000-17,500 (9,772-11,318)
Scottish Transport Group	25,000 (13,509)	18,000-22,000 (11,480-12,861)	14,000-17,500 (9,772-11,318)
National Water Council	25,000 (13,509)	18,000-22,000 (11,480-12,861)	14,000-17,500 (9,772-11,318)
Regional Water Authorities	20,000-25,000 (12,020-13,509)	—	—
Area Electricity Boards	20,000-24,000 (12,020-13,221)	14,500-17,500 (9,992-11,284)	—
British Waterways Board	16,000 (10,546)	11,500-14,000 (8,412-9,749)	7,500-11,000 (5,755-8,124)

salaries in nationalised industries averaged £13,900 and this was broadly similar to the total remuneration package in the private sector.

The review body says that the position of the chairmen and members of nationalised industry Boards presented "the greatest single problem in our current review." The report notes that the nationalised industry Boards have received no part of the increases of £12,000 or more which were recommended in 1974, whereas the increases recommended for the other three groups were accepted in principle by the Government and, although they have only been partially implemented because of pay policy restrictions, they have been applied for pensions purposes.

It is noted, however, that the Government decided that the nationalised industries group could receive a general increase of 5 per cent with effect from January this year, with up to 10 per cent being paid to the less well-paid members.

Quality
When the Prime Minister announced this, on December 15 last year, he recognised that the increase would still leave nationalised industry Board members significantly out of line with their counterparts elsewhere. The report draws attention to the extent of the compression and overlap from senior executive salaries below Board level, and to the implications of out-of-date salaries for the ability to recruit and to retain the quality of Board members required for the top management of industries.

Review Body on Top Salaries. Report No. 10. Second Report on Top Salaries. No. Price £3.

	Recommended salaries net of tax, assuming a married man without dependent children
a. Senior grades of the higher Civil Service	
Head of Home Civil Service	28,000 (13,473)
Permanent Secretary, Treasury	26,000 (13,108)
Secretary to Cabinet	23,500 (12,461)
Permanent Secretary	20,000 (11,530)
Second Permanent Secretary	16,000 (10,199)
Deputy Secretary	
Under Secretary	
b. Senior officers in the Armed Forces	
Admiral of the Fleet	28,000 (13,124)
Field Marshal	
Marshal of the RAF	
Rear Admiral	16,000 (10,043)
Major General	
Air Vice-Marshal	
c. Judiciary	
Lord Chief Justice	34,000 (15,273)
Master of the Rolls	
Lord of Appeal	31,000 (14,663)
Lord President of the Session (Scotland)	
High Court Judge	
Judge of the Court of Session (Scotland)	26,000 (13,601)
Puisne Judge (N. Ireland)	
President, Lands Tribunal (England and Wales)	20,000 (11,880)
President, Transport Tribunal	
Chief National Insurance Commissioner	19,500 (11,716)
President, Industrial Tribunals (England and Wales)	
Circuit Judge	
Chief Metropolitan Magistrate	17,500 (11,023)
Members, Lands Tribunal (England and Wales and Scotland)	
National Insurance Commissioner	
Judge Advocate General	
Sheriff A. (Scotland)	
County Court Judge (N. Ireland)	

NALGO likely to accept deal

By Nick Garnett, Labour Staff

LOCAL AUTHORITY white-collar staff, the only major group still to settle under Phase Three, seem certain next week to accept a pay and conditions deal with employers.

Delegates of the National and Local Government Officers' Association, which has the voting majority on the union side of the National Joint Council, voted yesterday three to one to accept the package.

The offer, covering 530,000 local government staff, will be formally voted on at the joint union side on Tuesday before a meeting with employers next day.

The deal would add marginally more than 9.9 per cent to pay rates. The increase would be consolidated, together with Phase Two supplements, but not those of Phase One.

The package, still being scrutinised by Government Departments, includes an extra day's holiday for staff over 18 earning up to £3,800 a year; improved residential allowances; and increased standby payments for social workers.

The employers have been asked to improve holiday entitlement to staff aged below 18 and to introduce a reopener clause although employers' response will not affect acceptance of the package.

Negotiators for NALGO, which represent 410,000 staff covered by the agreement, are confident that the offer will not be ruled outside guidelines although as with the local authority, manual workers' deal parts of the package are difficult to cost.

NUJ move to quit pay pact

By Pauline Clark, Labour Staff

OWNERS of Fleet Street newspapers are considering action "to protect the interests" of national newspapers as a whole after a move by the National Union of Journalists yesterday to pull out of the national pay agreement.

After a meeting with the Council of the Newspaper Publishers' Association, whose national agreement covers all Fleet Street newspapers except the Mirror Group, Mr. Kenneth Ashton, NUJ general secretary, said that a new minimum salary offer of £4,750 had been rejected. The union believed that this was not a realistic reflection of the salaries already being paid to Fleet Street journalists.

It had told the NPA that its members in the newspaper industry would not be submitting claims to their management for house agreements. The NPA said yesterday that during the six months required for notice to terminate the national agreement it would do "everything possible" to persuade the NUJ to change its mind.

Its council said that since the step taken by the NUJ would be "completely contrary" to efforts being made by other unions and management in Fleet Street to improve industrial relations in national newspapers, it would have "to take immediate steps to protect the interests of the industry as a whole."

Chrysler tries to solve two plant disputes

BY JOHN LLOYD AND ARTHUR SMITH

MEETINGS AIMED at settling summer months when the three-day dispute which has paralysed Chrysler's paint shop at Linwood plant were held yesterday at the offices of the Advisory, Conciliation and Arbitration Service in Glasgow.

Officials from the service met Chrysler management and representatives of the Transport and General Workers' Union separately. Both sides stated their positions but there was no progress in reconciling views.

At the same time, 350 tool-makers at Chrysler UK, Coventry, threatened to strike from Monday.

AT LINWOOD, a meeting of 500 transport union members who work in the paint shop, centre of the dispute, voted to ask the arbitration service to help resolve the dispute.

Chrysler said it would meet service but added that the unions had demonstrated that "they were not willing to accommodate wage increase from July 1 but insisting upon improved differentials."

More than 500 paint shop workers are on strike and a further 3,000 production line workers have been laid off. About half the plant's 8,000-plus workforce at the Stoke engine factory and the Ryton assembly plant.

Efforts have been made throughout the week by Chrysler and shop stewards to get the two toolmakers to accept a special 15-minute breaks taken by some paint workers be reduced to 10 minutes under an agreement made in 1975, the paint shop workers take these breaks in the

to meet again on Monday.

Singer stewards to hire firm of consultants

BY JOHN LLOYD, INDUSTRIAL STAFF

SHOP STEWARDS at the Singer Sewing Machine Company, Clydebank, are to hire a firm of consultants to do a study on a possible alternative future for the plant, where more than 2,500 of the 4,800 workforce are threatened with redundancy over the next four years.

Two of the country's leading consultants, PA Management Consultants and PE Consultants, have been asked to submit proposals. A choice will be made between them in the next three weeks.

The shop stewards' initiative is in line with proposals made in 1975, the plant shop workers take these breaks in the

to meet again on Monday.

Post Office engineers told to end sanctions

BY OUR LABOUR STAFF

THE POST OFFICE issued a warning yesterday that it would no longer tolerate its engineers' refusal to "work normally."

The Post Office Engineering Union has been refusing to commission new exchanges for the last eight months in a dispute over a shorter working week, and was due to begin a national overtime ban from midnight last night.

Such broadening of sanctions would be countered by the sending home of those concerned. A large number of warnings have already been issued to members of the union in Edinburgh yesterday. A thousand engineers left their jobs in protest at the sending home of one of their colleagues.

The union says that the management has heightened the sanctions by sending home some of its members who have been working normally, other than in the commissioning of new exchanges.

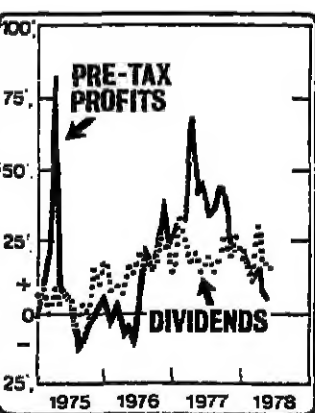
Profits fall continued in June

FINANCIAL TIMES REPORTER

IN REPORTS and accounts 41 per cent, while other notable in by 147 companies this gains occurred in Boots and it showed a continued downward trend in pre-tax profits recorded advances of about 17 per cent in reports received since per cent.

Conspicuous reductions were recorded by Courtaulds and Vickers, which turned in figures more than a-third down on the comparable results a year ago.

Dividend costs increased by 16.1 per cent on the previous year, bringing the average increase for the second quarter to 19.6 per cent. In the first half of the June reports with quarter, dividend cost increases in pre-tax profits of nearly



More power to curb radioactive goods

Y JOHN HUNT, PARLIAMENTARY CORRESPONDENT

ERS were added to the Government yesterday by the Health Secretary, Mr. Roy Hattersley, to approve a containing radioactive substances before they are used. This means he will be able to prohibit the supply of goods if he considers them to be unsafe.

amendment was added to Bill in the Lords by Lord Stone (Conservative) stipulating that the Secretary of State be able to decide whether goods were safe by reference to amount of radiation from them and the consequences of their use on users of the goods. The level of radiation may itself be enough to cause injury to a user, said Mottison. "But, together with radiation from other sources, it may give rise to risk."

the Government, Lord Stone of Coslany inserted an amendment safeguarding confidential information which com-

Council grants for factory repairs

PEERS VOTED

against the Government yesterday to allow local authorities in industrial improvement areas to give loans or grants for exterior decoration and repair of factories and other industrial premises.

The change came during the report stage of the Inner Urban Areas Bill, which enables the Government to designate local authorities who, in turn, may declare areas of special need to be industrial improvement areas.

Voting on the Tory backbench move was 42 to 23, a majority against the Government of 19, and the report stage was completed.

Trocadero site hold-up
WESTMINSTER COUNCIL has deferred a decision on the future of the Trocadero site. Piccadilly, until the end of this month.

Overall makers expect improved trading

CONCERN ABOUT levels of low-cost imports was coupled with a more optimistic forecast of future trading prospects by the Overall Manufacturers' Association of Great Britain at its annual meeting in Manchester.

Mr. George Bell, retiring chairman, said yesterday that the National Coal Board, in a "completely new venture," had begun placing orders for miners' working clothes.

A substantial increase in sales of protective clothing could also be expected once the economy improved, helped by Britain's new health and safety legislation. The TUC has estimated that more than 11m workers would need protective clothing.

However, there were doubts at the meeting about the extent to which the industry could expect to benefit from the new multi-fibre arrangements. It was clear that quotas for the first quarter of 1978 for work wear and jeans had had no real effect, because imports were below the quota figures.

There was no possibility of re-negotiating quota levels, Mr. Bell added.

Pressures on public authorities to buy garments manufactured in the UK, and support from clothing trade unions and the TUC, were among the points put forward in a campaign of action urging support for the domestic industry.

Appeal on subsidies to housing associations

FINANCIAL TIMES REPORTER

HOUSING associations should operate and see their work in the context of the local authorities' strategic housing plans. "Every association should look again at its policies and organisation to see how its responsiveness can most effectively be further increased."

A balance had to be struck between the independent nature of housing associations, which depend on the voluntary efforts of well-motivated individuals, and the need for public accountability.

New computer for airport operations

THE BRITISH Airports Authority has installed a Honeywell large-scale level 66 computer at its headquarters at Hayes, Middlesex, in place of the model 2080 which it has used for the past five years.

One of the biggest applications to be transferred to the new computer will be the on-line system for invoicing landing fees and associated airport charges, alongside them UKAPE—or for

Judge rejects ACAS report against union

BY ALAN PIKE, LABOUR CORRESPONDENT

IT WAS a "clear error in law" for the Advisory, Conciliation and Arbitration Service to take the view that it would never recommend recognition of a trade union when this would not fit in with existing collective bargaining arrangements in a company or industry, Mr. Justice May said yesterday in the High Court.

He was giving judgment in a case in which the non-TUC affiliated United Kingdom Association of Professional Engineers sought to set aside an ACAS recognition report on representation at APE-Allen, a Bedford engineering company.

The judge found that ACAS had failed to discharge its duty to report on a recognition issue in accordance with law and declared the report void.

The case arose from an attempt by the engineers' association to obtain recognition on behalf of senior engineering staff at APE-Allen. ACAS failed to recommend recognition for the union although a survey showed that it was supported by 78 per cent of the staff it wished to represent and 35 per cent among a wider group.

In his judgment Mr. Justice May said the association's recognition application had been "vehemently opposed" by the large Confederation of Shipbuilding and Engineering Unions affiliated to the TUC, which clearly contained the threat of strike action should ACAS decide to recommend the association's recognition.

Strike action was threatened because the large established CSEU and TUC-affiliated trade unions would take it amiss if alongside them UKAPE—or for

that matter other similar new trade unions were allowed to recruit members and negotiate while holding different social, economic, industrial and political views from theirs.

The judge identified two reasons from the ACAS report on APE-Allen that led to the conclusion that the report itself as a failure to recommend recognition for the engineers' association, have analysed it in law, has not misdirected itself in law, has not proliferation of negotiating units and concern that to support the association's claim might well lead to industrial strike which would not improve industrial relations in the engineering industry.

ACAS had submitted that its principal and over-riding duty under the Employment Protection Act was to promote the improvement of industrial relations. The statute also imposed upon the service the duty of encouraging the extension of collective bargaining, but ACAS argued that in seeking to perform this duty it must always have in mind its principal duty of promoting improved industrial relations.

The plaintiffs' (UKAPE) contention was that on the proper construction of the Act the duty of encouraging the extension of collective bargaining was not subject to the duty of promoting the improvement of industrial relations—of keeping and improving industrial peace. But in one sense it could be said to have been intended by Parliament to be of greater or at least of equal importance.

The judge said that he preferred the plaintiffs' construction. "I think that by the inclusion in the sub-section of the words 'in particular' Parliament was making it quite clear that one of the specific duties it was laying

on ACAS was that of encouraging the extension of collective bargaining, as an important aspect of the economic, industrial and political less specific duty of promoting the improvement of industrial relations."

This being so, said the judge, the agreed that it is clear on the face of the report itself as a failure to recommend recognition for the engineers' association, have analysed it in law, has not misdirected itself in law, has not proliferation of negotiating units and concern that to support the association's claim might well lead to industrial strike which would not improve industrial relations in the engineering industry.

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Market income sensitive

Rumours that dividend restraint was on the way out at last filtered through the market for much of the week but few took these seriously enough to spark any real life in equities. Indeed Wednesday activity in equities was the lowest this year.

But clearly the market is very

Hambros at sea

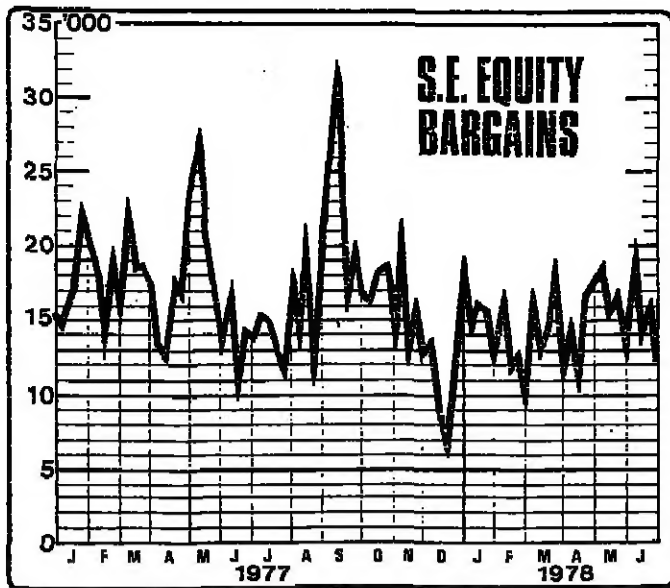
It has been an unsettling week for Hambros. The news from Norway is that the Government-backed Norwegian Guarantee Institute for Shipping wants to reduce its commitments under guarantees for something like £50m of loans made by Hambros Bank to the troubled Reksten tanker group. The shares have fallen by 20p since Tuesday.

Briefly, the Institute in 1976 guaranteed a loan facility on which Reksten draws to pay the costs of laying up its ships, and to pay the interest on its borrowings from Hambros. If the Institute stops it drawing on the facility, Hambros will not get its interest instalments (or possibly only a proportion of them).

Looked at from one angle Hambros is not in a strong position to resist any new conditions imposed by the Institute. It is unlikely to want to foreclose on Reksten and try instead to sell tankers on today's disastrous market. Nor can it want to sue what amounts to the Norwegian Government for breach of contract.

From another angle, though, it is the Norwegian authorities which are in a cleft stick. If they back down on this guarantee, the international financial world will see it as a crack in their support for the slump-stricken Norwegian shipping industry. And this could put intolerable pressure on companies with foreign borrowings which account for a third of the nation's total foreign debt.

Both sides are currently involved in negotiating tactics, and a compromise will doubtless



pointed out the international advantages of the merger. He wants to extend his international insurance network rather than take Lime Street by storm.

THF bullish

Trust Houses Forte's shares which have consistently outperformed the stock market this year jumped another 18p this week to 220p—adding £13m to the group's market capitalisation—on the back of a 17 per cent increase in first half pre-tax profits.

In fact, the trading performance was even better than the pre-tax comparisons suggest, for the figures last time included profits of £1.1m from the disposal of the Terry's chocolate business.

At the trading level THF's profits are up by 30 per cent from £15.2m to £19.8m, with margins up a point at 7.3 per cent. Occupancies in London hotels may have fallen in the first half, but higher prices and increased occupancies in provincial hotels have more than made up for any decline in the number of visitors coming to stay in the capital after last year's jubilee celebrations.

Moreover, overseas hotel profits have shown excellent growth—particularly in the U.S.—while catering is also up despite a flatter performance from the airport side.

The bulk of group profits is earned in the second half and THF is sounding reasonably optimistic. So full year profits may well exceed £50m—a gain of more than 30 per cent.

Hall of fame

AMERICAN insurance broker Frank B. Hall (motto: we make you safe—you make us famous) finally produced a bid for Lloyd's broker Leslie and Godwin which has satisfied the Lloyd's establishment.

The bid—a straightforward cash offer of 125p a share—puts a value of around £25m on Leslie. But the reconstruction of the Leslie companies that has to take place after the bid to satisfy the Lloyd's 20 per cent (or thereabouts) limit on ownership of Lloyd's brokers by outside insurance interests is a puzzle.

What the reconstruction entails is the lumping together of all Leslie's Lloyd's broking interests into one subsidiary, Leslie and Godwin International. In that company, Hall is to be allowed to hold 25 per cent. Who holds the balance is not yet clear. But Lloyd's is looking for the ultimate holder to be a non-insurance interest acceptable to the Committee. Day by day control, Leslie says, of a Lloyd's broker should lie in the hands of those with long experience in and knowledge of the Lloyd's market.

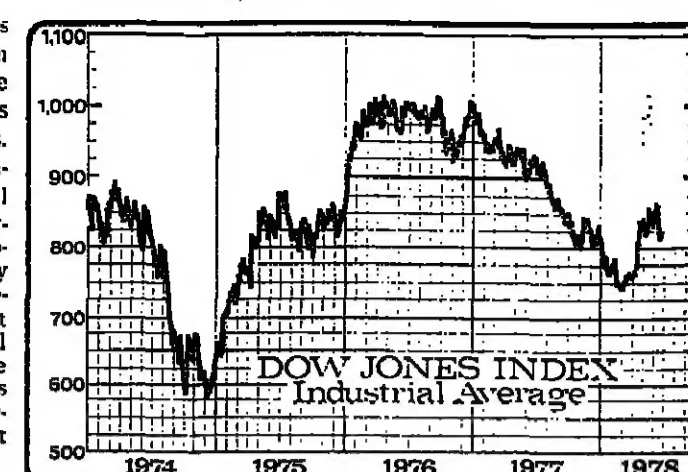
Enter Rothschild Investment Trust: it has had an association with Leslie for around 10 years; RIT's chairman Mr. Jacob Rothschild is Leslie's chairman; and RIT holds 10.5 per cent of the present Leslie equity. So RIT is entering into discussions with a view to acquiring 75 per cent or less of Leslie and Godwin International.

There was some criticism as to the vagueness of the details of the new LGI operation. No clear indication was given of what proportion of the profits Lloyd's broking interests represented. But this was understandable as LGI, little more than a paper vehicle designed to keep Lloyd's happy, has yet to be created. There is considerable latitude in how the costs and more important commissions are shared out with Frank B. Hall. But whether RIT shareholders want a share of the Frank B. Hall of Fame is another matter.

Meanwhile Hall's chairman, Mr. Albert Tahmouh tactfully

Holiday mood hits as everybody waits

NEARLY HALF of Thursday's comparatively feeble 21.6m share trading volume on the New York stock exchange was registered in the first two hours. Among other things this demonstrates that hard-driving Wall Street is as susceptible as anywhere else in the world to grabbing an early start to a holiday weekend. In actual fact, Independence Day is not until next Tuesday and the exchange will be open on Monday but the imminence of a holiday has given the stock market a somewhat distracted and nondescript air over the past few days.



Sharp reminder

The exuberantly high volume which characterised the rally of April and May has been missing for some weeks now and although the Dow Jones Industrial Average has been fluctuating around a level some 80 points or so higher than the February low, many of the pre-occupations which investors carelessly cast aside during the rally are now starting to reappear. Only on Friday, the nation's banks have once again offered a sharp reminder that interest rates have nowhere to go but up by boosting their prime rates from 8 1/2 per cent to 9 per cent.

Again on Friday morning, the Commerce Department brought the inflation rate into focus with the May consumer price figures showing a depressing 10.8 per cent annual rate of increase compared to April's 9.6 per cent. This completed the "triple whammy" which began yesterday afternoon when the Federal Reserve Board disclosed revised money supply figures which revealed that since May 10 the rate of growth in the monetary base was 8 per cent, some 2 per cent higher than previously indicated.

All this emphasises of course, that steering the U.S. economy towards a stable base of steady growth without high inflation is a long haul and that some of the hopes which fed the April-May rally that a corner was about to be turned were false. Nevertheless, there appear to be overpowering reasons why the stock market should put on its bear suit and return to the bargain prices of the winter.

Industrial activity remains extraordinarily high for the 38th month of an economic recovery. Industrial profits will slip 2 per cent, but 11 value line composite average 1,700 stocks fell 2.8 per cent and the value line industrial 7 per cent.

Faring better

Some of the ground laying for such a recovery may now be taking place in that, somewhat later than forecast, the decline in secondary stocks is at last

NYSE's retreat has been remarkably broad based. The week ended June 22, the Dow Jones Industrial average slipped 2 per cent, but 11 value line composite average 1,700 stocks fell 2.8 per cent and the value line industrial 7 per cent.

The gremlins

In an unexciting way gambling stocks have again some opportunistic speculative investors decided cream off some of the profit generated by the recent leap value of many of these stocks. A communications gremlin 1 week suggested in this column that Resorts International was selling on a p/e of 9 when 1 actual p/e for the company's stock was 97.

As the only current opera in the new gambling haven Atlantic City, Resorts International seemed every spectator's favourite stock and its common stock which stood \$29 last month climbed \$86 on Monday (a p/e of 1 before settling back to \$71 yesterday. One analyst is projecting earnings this year of \$5.50 a share for Resorts which would be nearly six times company's modest earnings last year.

NEW YORK

JOHN WYLES

CLOSING INDEX		
Monday	812.28	-1 1/2
Tuesday	812.31	+1 1/2
Wednesday	819.0	+2 1/2
Thursday	821.64	+2 1/2
Friday	818.93	-1 1/2

MARKET HIGHLIGHTS OF THE WEEK

The following table lists the changes in the FT 30-share index and its constituents over the first six months of the year. The FT 30-share index is also shown.

FT 30-Share Index				
Ind. Ord. Ind.	Price change y/day	% Dec 31	High	Low
Allied Brews.	83	-10.8	94	78
BOC Int.	693	-11.5	79	63
Beecham	640	-5.6	678	583
Blue Circle	232	-10.8	272	220
Boots	208	-8.4	231	194
Bowater	185	+1.6	205	163
BP	840	-2.1	892	720
Brown (J.)	394	+69.8	392	231
Cadbury Sch.	51	-9.7	58	48
Courtaulds	113	-	131	109
Distillers	176	-2.2	187	163
Dunlop	75	-15.7	90	71
EMI	137	-24.7	190	130
GEC	246	-2.2	278	233
Glaxo	555	-6.4	610	515

FIRST PUBLIC OFFER

INTRODUCTORY DISCOUNT

SPECIAL SITUATIONS

Fund

Target announces a new Fund to invest primarily in stocks considered to be in "Special Situations". The aim of the Fund will be to provide capital growth, with rising income an important but secondary consideration.

What is a "Special Situation"?

The term is usually applied by investment managers to a share which they believe is affected temporarily by special factors, or has potential not adequately reflected in the current market price. Examples include:

- * Recovery situations
- * Bid situations
- * Market situations (i.e. where the share price is temporarily depressed by a large sale)
- * Asset situations (i.e. where the asset value is far in excess of the market capitalisation)

Selection of Situations

In addition to the general examples given, Target believes there are likely to be particular opportunities at present of finding special situations amongst:

- * smaller public companies - with a market capitalisation of £1m to £10m
- * shares with a dividend not less than twice covered by latest earnings.

"Special Situations" will not necessarily be confined to U.K. investments although the overseas content is unlikely to exceed 20%.

Investment Management

Target and its investment managers, Dawney, Day & Co. Ltd are both part of a merchant banking group which participates directly in the management of industrial and commercial companies and has long experience of investment in smaller public companies and other "Special Situation" stocks. The investment managers will also encourage regional stockbrokers to contribute their specialised local knowledge in selecting suitable investments.

Your investment

Target recommends that because of the above average risks but greater

potential rewards of special situations, this Fund is suitable for only a part of your capital. The wide spread of investments in the Fund will help to reduce these risks.

Your investment should be regarded as long term.

Income

As a result of the reorganisation of the portfolio the yield is anticipated to rise to 7% over the next year to eighteen months, a level which for higher rate and basic rate taxpayers will assist in maintaining a worthwhile investment return. The estimated gross annual yield is currently 4%. Automatic reinvestment of income facilities are available.

Special 1% Discount

For investors taking up this offer, there is a special introductory discount offer. £101 for every £100 received will be invested at 20.7p until the close of business on 7th July, 1978. This discount will be borne by the Managers.

You should bear in mind that the price of units and the income from them can go down as well as up.

Monthly Income Payments

If you have £2,000 or more to invest, Target can offer a well balanced portfolio of 6 unit trusts yielding an average gross income of approximately 8% p.a. which will provide an income payment every month. For further details, tick the box in the form below.

Share Exchange Scheme

Target offers a convenient and cost efficient scheme whereby quoted shares which you hold may be exchanged advantageously for units in Target Special Situations Fund. Details on request.

U.K. INDICES

Average	June 30	June 23	June 16
FINANCIAL TIMES			
Govt. Secs.	69.18	69.67	70.64
Fixed Interest	71.23	71.97	72.44
Indus. Ord.	456.5	459.0	471.7
Gold Mines	159.5	162.3	158.5
Dealing mkt.	4,309	4,728	4,816

FT ACTUARIES

Capital Gds.	207.93	210.81	214.94
Consumer (Durable)	191.33	195.53	198.97
Cons. (Non-Durable)	195.22	197.41	201.77
Ind. Group	203.93	206.48	210.97
500-Share	226.76	229.05	233.94
Financial Gp.	156.64	159.95	164.82
All-Share	208.70	211.40	216.07
Red. Debs.	57.29	57.36	57.30

Six Dividends a Year

11%

AVERAGE ESTIMATED CURRENT GROSS YIELD AS AT 30th JUNE 1978

with Arbuthnot 3 in 1 Offer

These are the 3 Top Performing Arbuthnot Funds in which your money will be invested - 1/3 in each.

ARBUTHNOT EXTRA INCOME FUND

(Formerly the London Income Fund)

- * One of the highest incomes available from an authorised unit trust.
- * Portfolio is well balanced with 58% in equities (high yield and growth prospects) 40% in preference shares (high yield and stability), and 2% in loan stocks (income).
- * Through increased funds invested and capital growth, this fund has increased from £50,000 on 21st March 1977 to currently over £21 million.
- * Share exchange - you can acquire units more advantageously through share exchange scheme. Tick box in coupon for details.

ARBUTHNOT PREFERENCE SHARE FUND

- * The current gross yield is very competitive with fixed interest investments.
- * The aim of the fund is to maintain high stable income.
- * The stability of the portfolio is achieved by a wide spread of investments which inherently bear a reduced risk compared to ordinary shares. The fund's 200 holdings are spread over 90% industrial and commercial; 6% investment trusts; 4% waterboards. Funds now exceed £6 million.

ARBUTHNOT HIGH INCOME FUND

- * "The track record in both income and capital is excellent."
- * Financial Times, 3rd September
- * The objective is initial high income and capital growth in the longer term.
- * Over 85% of the portfolio is invested in equities for growth prospects and 15% invested in preference shares to provide stability of income.
- * This Fund now exceeds £10 million.

* Estimated Current Gross Yield as at 30th June 1978

Regular Income to Meet Regular Payments

These bills keep rolling in and with the constant rise in the cost of living you need a regular income that will grow. So we have designed a unique scheme, the Arbuthnot 3 in 1 Offer. These funds offer you a high yielding income as an authorised unit trust each year in February, March, June, August, September and December and prospects of growth of both income and capital in the long term.

Invest Now for all these advantages

- * Triple spread reduces risk
- * Guaranteed Regular Income
- * High Initial Income
- * Potential Growth of Income
- * Long Term Growth Potential

You can also invest in the individual funds

Should you wish to purchase units in the individual funds please apply to The Managers. The minimum holding in each fund is £250.

GENERAL INFORMATION

Arbuthnot Funds are authorised unit trusts and are regulated by the Financial Services Commission. They are managed by Arbuthnot Securities Ltd, 37 Queen Street, London EC4R 1BY. Telephone: 01-236 5281.

TO: Arbuthnot Securities Ltd, 37 Queen Street, London EC4R 1BY. Telephone: 01-236 5281.

Capital Sum 1. We wish to invest the sum of £..... in the Arbuthnot 3 in 1 Offer and enclose a cheque payable to Arbuthnot Securities Ltd. Share Exchange Scheme - tick box for details. If you wish to invest more than the sum of £1,000, please tick the box for details. I am enclosing a cheque payable to Arbuthnot Securities Ltd. I am enclosing a cheque payable to Arbuthnot Securities Ltd. I am enclosing a cheque payable to Arbuthnot Securities Ltd.

Signatures: _____ Joint applicants, all must sign. Mr. Mrs. Miss, or Titles and Forenames. Full Name: _____ Address: _____

ARBUTHNOT

3 IN ONE OFFER

FINANCE AND THE FAMILY

An estate's bank interest

BY OUR LEGAL STAFF

Interest of £183 was earned on the deposit account of a deceased person to date of death, but as it had not been actually credited to his account, it was not included in the computation of the tax position as at date of death. As it was included as an estate asset when applying for probate, it stood a share of capital transfer tax paid. From date of death to closure of the account a further £388 interest was earned and the Tax Inspector now states that the whole sum is assessable. The effect then is that the £183 is not only liable for income tax, but also for capital transfer tax, whereas if it had been included in the computation as at the date of death, the estate liabilities would have been increased and the capital transfer tax correspondingly reduced. Is there anything which can be done?

The executors must pay basic rate tax on the whole of the interest which arose after the death of the deceased, regardless of the effective charge to the estate. The executor, however, the residuary legatee assuming that the terms of the will are simple) should be asked to add a measure of relief on an additional-rate and higher-rate tax in respect of the income of CIT, by virtue of

section 430 of the Income and Corporation Taxes Act 1970 (as amended). The rules for calculating the relief under section 430 are complex and arbitrary, and so — in the absence of the necessary details — we suggest that you seek the tax inspector's guidance through the maze.

A power of attorney

Does a power of attorney, as mentioned in your issue of May 6 have to be stamped and if so where (I live in London)? The power should be given under seal and should be stamped 50 pence. This can be done at the Stamp Duty Office at Bush House, Aldwych, London WC2.

Protection by a sea wall

I understand that where one of a pair of semi-detached houses is demolished, its owner is obliged to provide some alternative protection against the weather for the other. Similarly, if three adjoining owners build a sea wall around their properties, would each owner incur a duty to protect the others, in case a part of

the wall on his property were demolished?

Your initial assumption is incorrect: there is no easement of protection known to the law: *Phipps v. Pears* [1965] 1 QB 76. However the kind of arrangement for joint participation in building a sea wall which you envisage could, in certain circumstances, give rise to an equity which would entitle the owners of the protected plots to restrain by injunction an owner who seeks to demolish part of the wall, even though that part is in his sole ownership.

A figure for damages

A road accident resulted in serious injury to two people, involving loss of earnings, and some permanent damage to them. How can one check that the general damages offered by an insurance company are as good as can be obtained?

Ultimately the only test is to seek an award of damages in court. However figures of damages which have been awarded may be ascertained from reported cases, and there is a standard work, *Kemp on Damages*, which gives a guide. Without very full details of the nature of the injury and of the

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

loss of earnings involved we could not properly advise on a figure in any given instance. You might inquire of your solicitor how the sum or sums offered compare with figures in recent awards.

Licence for a clothes line

I have a right of way covering the driveway at the side of my house shared with my neighbour. He has now erected a clothes line which crosses the driveway at an angle. I understand that the right to use a clothes line constitutes an easement. Should I take steps to convert this usage into a licence, or does it merely constitute a use of the right of way?

The right to dry clothes over another's land may constitute an easement. It certainly does not fall within a right of way. If therefore the clothes line to which you refer is wholly or partly over your land (and not merely over the land over which you have a right of way) you should now require the owner of it to obtain your licence.

Collecting ground rents

Did I not read in your column recently about release of one party from obligation to collect ground rent in a multi-party ground lease and that notification should be given on an appropriate form? If so could you tell me where I could get such a form?

Our reply to which your letter was not directed to the release of obligation of one out of several parties to a ground rent, but to the position of a mesne tenant who was collecting several rents and paying them on to his lessor. If a form of release of one out of a number of joint parties paying or receiving ground rent is required you should have a solicitor draft the necessary document. Forms of apportionment of rents are to be found in the *Encyclopedia of Forms and Precedents*, 4th Edition.

Small print and car sharing

THOSE WHO read the daily while the diminution of public transport services has, of course, played its part. In 1973 at the time of the petrol shortage, motor insurers gave the Government an undertaking that payments made by passengers merely as a contribution towards the cost of petrol used in a journey would not constitute use for hire, and would not therefore infringe the conditions of normal car certificate will have hire and reward exclusions, which in practice only to a limited extent have been modified by what insurers now refer to as the "petrol undertaking".

I have long thought it illogical that the undertaking should start and finish with petrol, because there are so many other expenses incurred in running a car: the need to replace tyres and battery, the need to have regular service, the need to put money aside for inevitable mechanical repairs, and future ultimate complete replacement, the need to buy insurance, and so on.

Putting all these overheads at cost per mile it is clear that petrol, at around 21p per mile (assuming 30 miles per gallon) is a relatively small part of running costs; arguably it is unrealistic to restrict the motorist's right to contribution solely to the price of petrol.

According to Lady Stedman insurers are now ready to give the private motorist much more scope. She refers to the House of Lords an undertaking drafted by insurers, in the following words:

"The receipt of contribution as part of a car sharing arrangement for social or other similar purposes in respect of the carriage of passengers on a journey in a vehicle insured under a private car policy will not be regarded as constituting the carriage of passengers for hire or reward (or the use of the vehicle for hiring) provided that:

- (a) the vehicle is not constructed or adapted to carry more than seven passengers;
- (b) the passengers are not being carried in the course of a business of carrying passengers;
- (c) the total contributions received for the journey concerned do not involve an element of profit."

Note particularly in proviso (b) and (c) the words business and profit. Though this undertaking has been described as a draft it is unlikely that the words will now be significantly altered. What will happen when the Bill becomes law is that insurers will give immediate publicity to the undertaking, and subsequently will provide each motorist policyholder as his renewal comes round or when he buys new cover, with some personal documentation of this undertaking. From the Parliamentary statement it does seem that insurers will not be changing certificate wordings, so that the present exclusions of hiring and so on will remain unaltered—it is the interpretation of the words that will be affected.

Again quoting Lady Stedman, insurers have appended a note to the draft undertaking to the effect that if any policyholder has any doubt as to whether or not his arrangement is or is not covered by the terms of the undertaking he should consult his motor insurers and tell them all the facts—and I would add, presumably be prepared to pay extra premium if his insurers find that the arrangement goes beyond

(a) the vehicle is not constructed or adapted to carry more than seven passengers; (b) and (c) of the undertaking.

INSURANCE

JOHN PHILIP

1975, and remains currently in operation, though insurers have not endorsed policies or altered the wordings of their statutory certificates.

Have a look at your own motor insurance certificates and you will see a lot of printed exclusions, which may include all or any of the following—use for the carriage of passengers for hire or reward, use for hire or reward, use for hiring, use for hire and reward other than private hire. Most of these phrases have been in use since 1930, and many have been subjected to judicial scrutiny, although the precise exclusions that your certificate bears depend on individual insurers' choice of words and the scope of the cover you have paid for.

Sufficient to say that if you pay your insurers' standard premium for private use, your

The revenue takes an interest

TAX RELIEF for mortgage interest is one of the simpler parts of the tax legislation. Any man in any Clapham omnibus will tell you that he understands what benefits the law provides. Let us see how much he really knows.

The purpose for which the money was borrowed is the first key. One thinks automatically of the phrase "purchase or improvement of land or buildings" which are to be the only or main residence of the borrower. That certainly is one approved purpose, but there are others equally acceptable. We do not have to reside in buildings—or even on land. Large caravans and houseboats qualify.

More significantly, it is not necessarily the borrower who must fulfil the residence qualifications. His mother or mother-in-law provided she is widowed or divorced or separated or if she qualifies below as a dependant can live in a house for which he has borrowed money. Alternatively some dependant relative can be so accommodated: but it would be a brave man who let on that his humanitarian proclivities could be let rip only because his mother-in-law (or any other relative) was "incapacitated by old age or infirmity from maintaining herself".

Tax deductible interest can therefore be paid on the borrower's own house, and on a second one for the relative. But he need not stop there, he can have a third tax deductible house for his former wife, whether he has divorced her or merely separated in such circumstances that the separation is likely to prove permanent.

The limit of borrowings upon which interest relief can be claimed is £25,000. The plan in the previous paragraph with three interest paid can only be deducted from rents received. If interest exceeds rents, the excess must be carried forward against succeeding years' rents. Relief is normally given if the various conditions are met at the time the interest is paid. Some common sense has found its way into the law to help taxpayers who might otherwise have been caught by the vagaries of this provision. In the first year after a loan is originally granted, relief will be given for any interest paid provided that the property becomes the taxpayer's only or main residence within that year. The Revenue are given discretion to extend the period. Thereafter, by extra-statutory concession, periods of absence from the property up to a year can be ignored. Periods of up to four years away will also not disqualify the taxpayer from his interest deductions if the absence is a requirement of his employment. Absence in the UK counts as well as absence abroad.

If the taxpayer moves house, yet another concession is made. He can borrow for the new house without previously having repaid the loan on his old house. Interest on the new loan paid within a year of its being granted will be eligible for relief in addition to the relief which also continues to be granted on the old loan. Not only that, but the amount of the old loan can be disregarded in determining whether the new house is let for more than 25,000, which are let for more than 26 weeks out of the year, and

There are a number of tricky problems related to the taxpayer's ability to demonstrate the facts to the Inland Revenue. One, which accountants and lawyers originally viewed with foreboding, is the requirement that a loan be used specifically for the purchase or improvement, and that it be not used for anything else before that. In practice, in those few cases in which the funds come in before completion, and lie for a few days in a deposit account, the Revenue seem to take a very relaxed view.

Just what money has been spent on improvements can be a difficult question—especially because improvements are defined to include the making good of dilapidations which had occurred before the property was bought. Once again with the practical solution adopted by the Revenue seems to be one of relying to a considerable extent on the commercial judgment of the lender—assuming that he will not be lending indiscriminately.

All this is familiar ground to the Clapham omnibus passenger. But he may have overlooked a couple of miscellaneous points. His mortgage dates from before March 28, 1974, the £25,000 limit does not begin to bite until April 6, 1980. Until then he still has the protection of the 1974 transitional provisions. Finally, on an optimistic note, if his wife leaves him and claims half of the value of the matrimonial home so that he has to borrow to pay her off, this borrowing is regarded as being for the "purchase" of the house concerned, and he can take solitary comfort from his interest relief.

TAXATION

DAVID WAINMAN

the inflation in prices of houses in the £25,000 bracket since 1974 has only been of the order of 6 per cent.

Where an employer provides housing loans at a favourable rate of interest, the Revenue do not normally need to impute a "benefit" to the employee in taxing him on his earnings. If they did, he would promptly claim to deduct that same amount. Employers cannot, however, use this as a device for circumventing the £25,000 limit, for instance by granting a loan of £15,000 interest free and a second of £25,000 at 6 per cent so that the employee could supposedly make his claim only on the second loan.

There is a wholly parallel set of legislative provisions permitting relief for interest on money borrowed for purchase or improvement of houses which are let for more than 26 weeks out of the year, and

Policies for women

A LIFE assurance contract—either traditional with-profits or unit-linked—provides a tax efficient means of making regular savings and financial protection against early death. But it has always been accepted that it is the husband who makes the savings and who needs life cover. Consequently, life policies have been designed for men.

This situation is now changing. The growing independence of women is producing a new market for life assurance, but the industry in general has not considered it necessary to make a separate marketing drive for this business. Now a notable exception has emerged.

In 1974, Langham Life launched the Women's Individual Savings Plan (known as WISP), designed by Mrs. Dorothy Genn, one of the company's directors. It claimed that this was the first life policy designed solely for women, and no one has refuted that claim.

What do women want from a life policy, apart from that which is normally offered to men, and how does WISP meet these requirements?

Basically, it is simply that women first need flexibility, so that their policies will meet their requirements should they remain single, or can be changed to meet differing requirements should they marry. Secondly, they need to retain control of their contracts, so that if the marriage breaks up then they still have access to the policy and its accrued benefits.

WISP, first of all, provides single women with permanent life assurance cover, savings, a pension option at 60 and opportunities for loans and assistance from Langham Life—in fact the features of many life contracts. This covers a single woman's needs right up to retirement. If she marries, the woman can transfer the basic life assurance cover to that of her husband. This reflects the fact that, even now, the husband bears the financial burden in a family. Under the WISP policy, the premium remains unchanged providing the husband is under 40 and not more than 10 years older than his wife—thus providing him with cover cheaper than he would get if he took a new contract. But the savings portion remains under the control of the woman, even if the husband takes over responsibility for paying the premiums. This provides her with a useful nest-egg.

Should the marriage break-up, then life cover reverts to the woman and her savings remain intact.

Liberty Life, a company which has recently laid great emphasis on the value of the housewife, has now launched its Women's Key Plan, a contract similar to that of Langham Life. But it states that it is also available for men—though without explaining how the pregnancy clause applies.

Women's rights

IT SEEMS to have been a week for the protagonists of women's rights. On Thursday it became apparent that the government was to vote the women's vote, by bowing to the pressure for fairer treatment of women by the Inland Revenue: in particular, the degrading assumption hitherto forced by law upon the Inland Revenue, that a working wife is no more than a financial

Credit vetting

IN FACT the pressure for women's rights is now being carried right into that haven of the middle-class matron: the department store. Debenhams, which announced during the week that it was to co-operate with the Equal Opportunities Commission in a study designed to throw discrimination against women in the provision of credit into sharp relief, obviously has no interest in alienating these most important customers: in fact, the stores group reckons that 80 per cent of its customers are female. It admits, however, to having been guilty, in the past, of "stereotyping" "indirect discrimination" in requiring of applicants for credit that they should, for example, have held their present position for at least two years. Few married women of

A fence and a ransom strip

developer erected a fence on a land alongside a one-sided 10-c-s-c adopted in 1961, a fence erected by me having on a vandalised. On my solicitor complaining, he was told that it was erected under obligation imposed by a venant in a conveyance in 35 by the original owner of a whole field which I first released with the adjoining rd. Meanwhile I received a letter from the developer for my id, who informed me that he had bought and registered a tie to a "ransom strip." I have stated officers of the council details. The 1961 section 40 adoption agreement, which I saw in 1966 and early shared the road right alongside my fence) but they have been unable to find it and

say that in any case it would not prove the extent of their ownership. My solicitor has discouraged me from removing the fence and seems uncertain what to do.

What steps can I take to have the fence removed? What if any is the effect of the 1935 covenant? What about the alleged "ransom strip"? How can I be certain of the extent of the land I own?

We can see no basis on which a previous owner of your land can put forward a claim to any right to a fence still to maintain a fence on your land. If his inability to erect the fence renders him liable to a third party for breach of covenant, that is his affair—but in fact

any such breach is probably statute-barred. Your simple solution is to remove the fence.

As to the claim to the "ransom strip," that should be investigated, starting with a parcels map search at HM Land Registry. If any of your land has been registered in another person's name you should be able either to have the register rectified in your favour or to receive compensation from the Land Registry's Compensation Fund. If your solicitor is uncertain you may wish to retain another who is more decisive. We agree that the Section 40 agreement would be of little use in ascertaining ownership: however you might locate a copy if the developer who made the agreement with the Council can still be found.

Pennies from heaven?

IS all very well for the adams Roof Orchestra to find us that when it rains, it rains pennies from heaven. The crowds at this week's very Wimbledon and soggy play can hardly have been minded that the thing to do is to turn their umbrellas up down. That only happens in a clearing in the clouds is

is too early to say whether clouds over base metal 'acts are at last clearing. Though there are signs that worst may have been seen, umbrellas are still in vogue as far as the mining world is concerned, the best one is of gold with diamond and

ing legal constraints" and a unified wage scale has been introduced. But the policy cannot make much progress while the readily available supply of black workers can only be channelled into the low-paid jobs.

Ergo, which recovers gold, uranium and sulphuric acid from old mine waste dumps, needs no expensive mining operation of its own. Thus it can break-even at a gold price of only \$30 per oz. Last year Ergo forecast that at a price range of \$120 to \$150 it would pay a first dividend of 25 cents for the current year to next March and double the rate to 50 cents in the following 12 months.

Teething troubles have delayed the attainment of full production by a few months, but this should be achieved before the end of this year. In view of the subsequent advance in the gold price, it seems that the delay will not upset the dividend expectations. It is also encouraging to note

Cullinan which weighed 3,108 carats (nearly 22 ounces) in the rough state. Other famous gems produced include the Niarchos, the Transvaal Blue and the Taylor-Burton.

Ironically, Premier has not paid a dividend on its deferred shares for over 50 years and even the preference payments are some 20 years in arrears. It is only because a favourable tax deal has been arranged that the new mining operation can go ahead. The existing mine treated 7,071 tonnes of kimberlite, grading 28.42 carats per 100 tonnes, last year and it has about 40m tonnes left.

Below the gabbrro sill in the new area there is one section—the L1—which holds 14m tonnes at a much higher grade of 72 carats per 100 tonnes. Production of this material will start next year and by 1987 a further 100m tonnes of undisclosed grade should be ready for mining. The total area below the sill should keep Premier going until at least the end of the century.

Guinea. It holds an estimated 250m to 300m tonnes of ore, grading 0.85 per cent copper, 0.012 per cent molybdenum and 0.55 grammes gold per tonne.

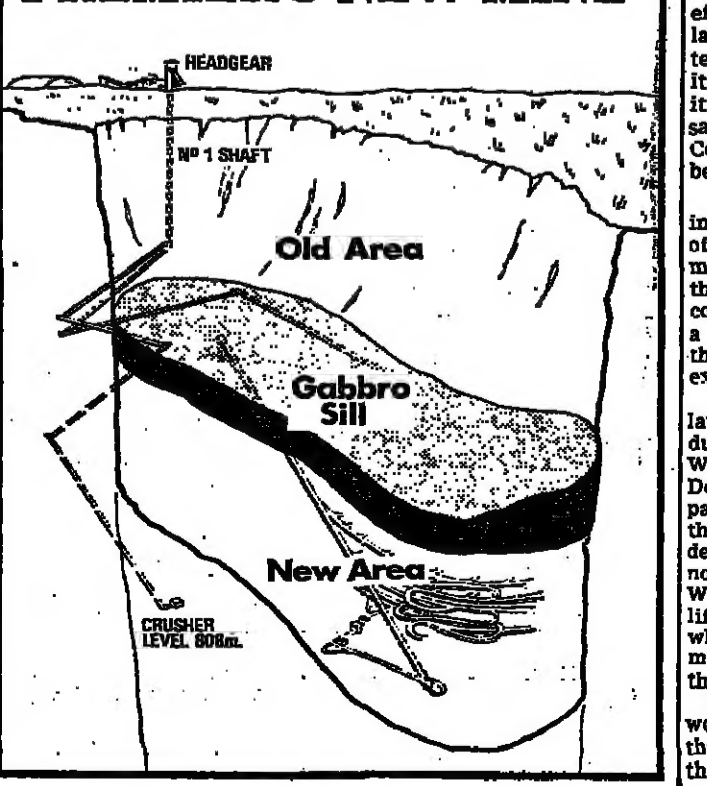
The copper grade is low, but still better than that at the Rio Tinto-Zinc group's very successful Bougainville open-pit copper-gold mine in PNG which is among the few major copper producers to be still making money. On the other hand, working conditions at Ok Tedi would be more difficult than those at Bougainville in view of an even heavier rainfall of some 400 inches a year.

Latest studies of Ok Tedi have indicated a gold enriched cap covering the primary orebody. This is reckoned to contain 30m tonnes of material grading 3 to 3.5 grammes gold per tonne which, it is thought, would justify a gold mining operation in its own right. At least, it would provide a gold sweener to the overall project. The find will have increased the chances of a mining operation being launched; they were looking pretty slim previously. But such is the huge capital cost of a mine these days, especially at Ok Tedi, that the angels are treading very carefully indeed. BEP has to submit its proposals to the PNG Government by May next year, potential of the big Ok Tedi but it is possible that any go-copper deposit in the Star ahead decision will be delayed until the early 1980s.

In the wet

Australia's Broken Hill Proprietary and its partners, America's Amoco Minerals and the German Kupferexploration group, remain fascinated by the potential of the big Ok Tedi but it is possible that any go-copper deposit in the Star ahead decision will be delayed until the early 1980s.

PREMIER'S NEW MINE



per tonne of ore milled the gold mines have used by 100 per cent over the last four years and they are rising. Fortunately, so is price of gold which is run above \$180 per ounce and with the average received by the mines last year which was prompted by U.S. and other buying on hopes of a big increase in the Central Selling Organisation's half-year diamond sales figure—due in the next week or so—and a subsequent bumper set of half-year profits to be announced by De Beers in August.

What remains to be seen is whether the respective increases will match market expectations; in such situations caution usually pays. Meanwhile, De Beers has announced that it has now completed negotiations with the South African Government for the downward extension of its Premier mine below the gabbrro sill. Last year Premier produced 2.01m carats of diamonds compared with De Beers' total output of 11.81m carats.

The accompanying illustration shows that this amounts to the opening up of a new mine under the existing operation which has been going since 1903. Although a major producer of industrial diamonds, Premier is famous for yielding the biggest diamond of all time, the fabulous

MINING

KENNETH MARSTON

that the escalation in the mine's estimated \$140m capital cost has been confined to a relatively modest \$5m.

On the diamond front this week shares of De Beers have been calmer after the recent surge which was prompted by U.S. and other buying on hopes of a big increase in the Central Selling Organisation's half-year diamond sales figure—due in the next week or so—and a subsequent bumper set of half-year profits to be announced by De Beers in August.

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Return to haunts of mammon

ST. PAUL says that the love of money is the root of all evil. But the Ecclesiastical Insurance Office has found that it cannot do without it. Money is the raw material of insurance operations, as much for a small religious foundation as for the mighty secular organisations. In common with such secular bodies, the EIO has found it expedient to return to the haunts of mammon by raising additional capital.

The history of the Ecclesiastical Insurance Office makes fascinating reading. Over 90 years ago, a group of Anglican churchmen founded the company to conserve, for church purposes, the profits arising from the insurance of church property. And the company is now acknowledged as the leading insurer in this field, for both the Church of England and (indirectly, through reinsurance) much of the Free Church. Its primary objective

CHURCHES

ERIC SHORT

has certainly been accomplished. In the last financial year the company paid 250,000 in charitable grants, bringing total such payments since incorporation to 4.75m. But Ecclesiastical Insurance Office has diversified from its original intentions. It was a natural development to pro-

ceed to the insurance of private schools, universities and charitable organisations. This is, however, not the end of the story. The company has further ambitions to expand outside the orbit of the church, and into the domestic and small businesses area, thereby challenging the major companies. In particular, it is actively canvassing the hotel

INVESTMENT

ADRIENNE GLEESON

MUCH SOUL searching preceded the decision by the Association of Investment Trust Managers that they should publish performance figures for their members: and you might be forgiven for thinking, even now, that the companies concerned would really very much rather you didn't pay too much attention to the fruits of their labours. Not for them the pride in ranking which characterises their brethren in the unit trust business: not for them the month-on-month brouhaha as the fortunes of the markets into which they have put their money wax or wane. Ask an investment trust manager how you should choose between one share and another, and he is all too likely to point, not to the record of achievement but—

to the real quality of many of the companies in this sector. It assumes that the worth of a company lies purely in the assets that it holds, and that no value is to be attached to the skill with which those assets are utilised.

As the performance figures put out by the Association indicate, this is not the case. The companies claim that their performance ought to be measured over the longer-term—and indeed, this is fair enough: their ability to bank what might appear to be somewhat obscure companies against the fads and fancies of the moment is one of the greatest strengths of the fund managers in this sector. It's a strength which they are just beginning to appreciate, as well: witness Electra, confirming in its annual report this week that the policy of buying into small quoted and unquoted special situations in the hope of faster longer term growth is to be maintained.

Over the longer-term—over five years on a rolling average basis—certain companies have well and truly outperformed the sector average. However, this is not going to be all that much

of a comfort to shareholders if the recent performance of their shares has been dreadful—it might be no more than a momentary hiccup in a steady progression, but it might, in the alternative, indicate that the management is losing its touch. So in selecting the top ten of the accompanying table—from the Association's statistics—I have qualified the initial search for companies with a strong five-year performance with a requirement that the one-year performance should also be exceptional.

The results are interesting.

Obviously, for the relatively high proportion of Far Eastern funds, reflecting the strength of the Japanese market. But they also tend to confirm that shrewd and successful management of assets pays off for shareholders too. The figures quoted, for total return, take in the performance of the share price assuming reinvestment of the net dividends. For five of the 10 companies listed, asset performance over the five year period has been quite exceptional too: and doubtless the shareholders some cause for congratulation.

One final point emerges from the statistics which the Association has assembled and published with so many doubts and hesitations. In particular the trusts run by Barings, City Administration and Schroder Wags have put up an exceptional performance. And Kleinwort Benson, Ivory & Sims and Philip Hill have given their shareholders some cause for congratulation.

INVESTMENT TRUSTS: THE TOP TEN

Share	Price*	Yield %	Total assets £m	Over 5 years	Over 1 year
London Prudential	74	5.8	6.4	174.6	132.6
Atlas Electric & General	57	5.0	107.1	166.5	126.9
Moorgate	83	5.6	5.2	165.9	138.5
Broadstone	145	5.4	32.0	163.2	124.8
Globe	107.5	7.0	270.7	161.3	132.4
Crescent Japan	117	—	18.6	159.6	131.7
City of London Brewery	56	6.6	40.14	157.1	130.3
Scottish Ontario	136.5	4.6	20.2	152.9	124.3
Safeguard Industrial	70.5	7.8	10.9	151.7	131.4
Drayton Far Eastern	41	3.3	6.3	143.4	145.5
General trust averages**				131.7	122.6

* Wednesday's prices † Base = 100 over each period ** Size weighted

Banks do battle for students

About 130,000 people go to university, college or some other institution of higher education every year, and most arrive armed with quite substantial grants.

All the main high street banks offer students free facilities, provided that they keep their accounts in credit. This means that cheques, standing orders and direct debits are cleared free of charge. Obviously the most popular form of transaction is by cheque, so the student who recklessly writes out two cheques a week on his account at NatWest is avoiding payment of more than £15 a year. This, anyone under 18 from holding a minimum balance is all.

Overdrafts are usually left to the discretion of the individual branch manager, but most banks consider: facilities up to £50 for

One important factor for students choosing a bank to consider is how close the nearest branch is situated to their college or university. The TSB, for example, has no branches on campus, and this is one area where the bigger banks have a distinct advantage. Barclays claims to have more than 600 branches either on or near a student campus. NatWest has 200, and all four big clearers are represented on site at Kent, Warwick, East Anglia and Bath.

Many of the banks have specific loan schemes for students after they graduate, and the TSB is actually offering a further year of free banking after they leave—provided the

account has been kept satisfactorily in credit. Barclays will forward up to £250 to pay for "settling up" expenses, including a suit, provided the student has a full-time job lined up and has gained the appropriate qualification. Midland provides loan facilities to pay for expenses incurred by accountants, trainees and article clerks.

Lloyds claims to be the leader in the field of student banking: with a 30 per cent share of university student accounts a 28 per cent share of student accounts, according to an independent survey of banks. Last year it offered first year students a £3 voucher and, doubtless in common with all its competitors, currently thinking up some carrot to dangle in front of nation's youth.

STUDENTS

TIMOTHY DICKSON

Weathering a holiday disaster

ANYONE taking a holiday hopes to make a clean break from the harassments of everyday life—even if financial circumstances force him (or her) to stay in the UK and make the best of the weather. Being on holiday does not, however, make anyone immune from the tragedies of everyday life.

Anyone first setting eyes upon his hotel, especially if it is set, like that above, in picturesque surroundings, will have matters other than fire or theft on his mind. In fact the fire records of the major hotels are good. The Fire Precautions Act, 1971, ensures that hotels comply with stringent minimum fire regulations, as approved by the local fire authorities.

But while this Act minimises the risk of fire, it does not ensure that a fire will not happen. And hotels are not

immune to the growing incidence of theft throughout the UK. A theft or a fire can ruin a holiday, but there is no need for the holidaymaker to be out of pocket as well.

Any hotel registered under the Hotels Proprietor's Act has a statutory obligation to reimburse guests for loss or damage to their effects, up to a maximum of £100, or more if the items are stored in the safe deposit and the loss is caused by negligence or by a deliberate act by employees.

But the primary aim of hotel insurance is to cover losses to the hotel owners. For example, the building and hotel contents will probably be covered against fire and theft, consequential loss, and public liability. If you yourself just get out of the hotel in your pyjamas before fire engulfs

everything, or a thief cleans out your room while you are on the beach, then you cannot claim on the hotel's insurance unless you take common law action.

This, essentially means proving, or at least getting the insurers to accept, that there was negligence on the part of the hotel and its employees. And you will have to provide firm evidence of the value of the items lost.

The only satisfactory approach to such risks is to make certain that your own insurance covers holiday losses. Most "house contents" and "all risks" policies provide for what is described as "temporary removal of goods" which means cover is extended for short holiday periods—usually up to 28 days. Using such cover is far easier than trying to invoke the power of the law against your holiday hotel.

THIS YEAR, AMERICA. NEXT YEAR?

Even after the recent rise in U.S. share prices, webelieve that the American market still offers good value to the investor who's prepared to look ahead.

At present, 65% of the portfolio of our International Unit is invested in North America. But the conditions that lead us to think American shares a good buy just now will not last for ever. And when things do change, investors in exclusively American funds could be at a disadvantage.

That's why it could make sound sense to channel your investment in America through our International Unit Trust, which aims for capital growth from a diversified worldwide portfolio.

A Changing Portfolio

A year ago about 40% of this fund was invested in North America and 40% in the Far East. Today the split is 65% North America, 20% Far East and 9% Europe and the U.K.

As the fund grows, we shall continue to vary the proportions to match changing market opportunities. The investment managers, Drayton Montagu Portfolio Management Limited, believe that prospects for further growth are good, particularly in North America, but unitholders should regard their investment as a long-term one.

Since the launch of this trust in December 1969, the offer price of Distribution Units has increased by 106% (as at 29th June 1978) compared with a rise of only 43% in the F.T. Actuaries All-Share Index over the same period.

At the offer price of 51.7p xid on 29th June 1978, the estimated gross yield was £2.22 p.a.

The price of units and the income from them can go down as well as up.

To buy units simply fill in the coupon and return it to us, or hand it in at any branch of Midland Bank, Clydesdale Bank or Northern Bank.

Distribution Units
If you choose this, you receive income but not capital growth. Units are paid out at regular intervals, usually quarterly, and you can choose to have them reinvested in the fund or sent to you by cheque. Units can be bought at any time at the ruling offer price. Units can be sold at any time at the ruling offer price, which can be a discount or a premium to the offer price. This offer is not open to residents of the Republic of Ireland.

Prices and yields
If you choose this, you receive income but not capital growth. Units are paid out at regular intervals, usually quarterly, and you can choose to have them reinvested in the fund or sent to you by cheque. Units can be bought at any time at the ruling offer price. Units can be sold at any time at the ruling offer price, which can be a discount or a premium to the offer price. This offer is not open to residents of the Republic of Ireland.

Application Form

To: Midland Bank Group Unit Trust Managers Limited, Courtwood House, Silver Street Head, Sheffield, S1 3RD. Tel: 0742-73941. Reg. No. 952857, England.

If we enclose a cheque payable to you for: £ (minimum £200)

For investment in Distribution Units ☐ Accumulation Units ☐ (tick which)

of Midland Drayton International Unit Trust at the price ruling on the day you receive this order.

(For your guidance, the offer prices on Thursday, 29th June, 1978 were: Distribution Units 51.7p xid, Accumulation Units 55.1p.)

Surname (Mr., Mrs., Miss)

Forenames in full

Address

Postcode

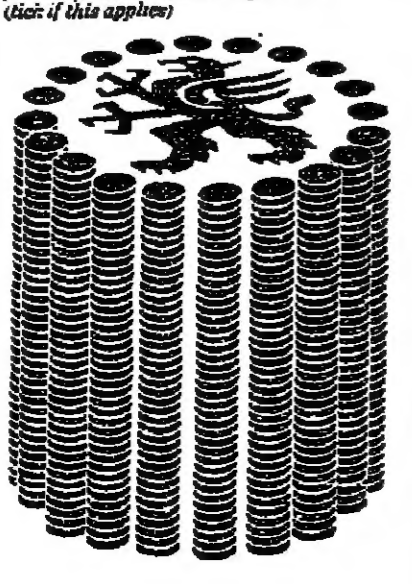
Date

I/We declare that I/we are not resident outside the United Kingdom and that I/we are not a resident of any of the territories to which the provisions of the Taxation of Income Act 1963 apply.

Signature

(on the case of joint applicants, all must sign)

Please send me details of your Share Exchange Scheme ☐ Savings Plan ☐ (tick if this applies)



Few other investments can match the kind of steady growth shown by business property over the last 25 years. And most economic experts believe that this growth is likely to continue into the future.

For this reason Hambro Life believe that every investor should put part of his capital into first class business property. And we believe that the Hambro Property Fund offers an excellent means of doing this.

The £120 million Hambro Property Fund owns more than 85 properties for the benefit of its 75,000 investors. The properties range from multi-million pound shopping precincts and office blocks to more modest shop and warehouse units. And every property has been chosen because of the growth prospects the Managers believe it offers.

You can judge the skill of the Hambro fund managers in choosing and managing property from the fact



The Harpur Centre, Bedford—6 stores, 24 shops, offices and a covered car park—one of the 80 properties owned by the Hambro Property Fund.

that over the 7 years since the launch of the Hambro Property Fund the offer price of units has risen by 70%. And the Fund has outperformed an index of the top ten property funds by 13.7% since the index began at the end of 1972.

You should remember that the price of property units can go down as well as up, but Hambro Life believe that an investment in property will prove a highly rewarding one, particularly over the longer term.

Investing in property with Hambro Life couldn't be simpler. Just send your cheque with the application form below. To benefit from the current offer price of 170.8p your Property Bond application should reach us not later than first post on Thursday, 6 July. Thereafter units will be issued at the price ruling on receipt of your completed application form.

To: Hambro Life Assurance Limited Administration (Dept B), Hambro Life House, Swindon, SN1 1EL. Enquiries: 01-499 0031

I wish to invest (minimum £1,000) in a Hambro Property Bond and enclose a cheque for this amount payable to Hambro Bank Limited

Surname: Mr./Mrs./Miss (minimum £1,000)

Full first name

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Occupation

Date of birth

Are you now, and have you always been, in good health?

If not, please give or attach details.

Do you already hold any Hambro Life policy?

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FT 17

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MOTORING



The Daihatsu 4x4 hardtop—a good choice for the amateur cross-country driver

Foreign work horses

BY STUART MARSHALL

BUYING A Land-Rover "off the shelf" is difficult. With a Range Rover, it's impossible, unless you ring a London number, ask for someone with a name like Jeremy or Julian and be prepared to pay through the nose for instant delivery of a used one with "works mileage only." The depressingly frequent interruptions of production at the Rover factory are not going to make things easier in the immediate future.

That being so, the importers—as always—have rushed to fill the gap. The choice of light four-wheel-drive vehicles for recreational or agricultural use has never been greater.

The Daihatsu from Japan is about the same size as the first slab-sided Land-Rovers of 30 years ago. The hardtop I drove a few weeks ago had a pair of comfortable seats with built-in headrests and four more tiny tip-up perches in the back. The roof had a padded lining, the windows wound up and down and free-wheeling front hubs, which save fuel and reduce noise on hard roads, were fitted as standard, all for £3,940, which is about £300 less than the price of a comparably equipped Land-Rover.

Although only a 1.6 litre, the engine is a real slugger at low revs. It pulls hard from 20 mph in top on the road and returns up to 24 mpg.

At 65 mph the Daihatsu is as noisy and hard riding as one would expect of a cart-sprung on-off road vehicle and the steering is sloppy. But the controls are light and it is easy to park, with a 33 ft turning circle.

When I took the Daihatsu over terrain better suited to tanks than wheeled vehicles, it made light work of almost knee-deep mud and water but surprised me by failing to climb a 1-in-3 gully with a leaf mould surface. Then I remembered I had not locked the free-wheeling front hubs and had been wading around in the morass in two-wheel drive. With power going to all four wheels, it was unstoppable.

Whether the Daihatsu would stand up to sustained wear and tear as well as a Land-Rover, only time can tell, but its all-steel body would be unlikely to grow old as gracefully as the Rover's non-rusting aluminium one. As an off-road runabout with the traction to haul a horsebox out of a muddy field if needs be, it is quite an attractive proposition for the amateur rather than professional cross-country driver.

The same importer is bringing in American Jeeps, including the Cherokee Chief. This jumbo-sized vehicle makes even a Range Rover look fairly small. As it costs about £9,750 and does 14-15 mpg at best on the road, dropping to single figures

in the rough, it is strictly for the well-heeled. With a V8 motor of getting on for twice the size of the Range Rover's, the Cherokee Chief is an effortless performer on the road and its automatic transmission with permanent four-wheel drive is extraordinarily quiet. But its woolly steering and soft, under-damped suspension were not at all to my taste. Its handling was like that of the offspring of an American sedan crossed with a five-ton Bedford, and its sheer size sometimes embarrassed in narrow country lanes.

I would not really regard it as a Range Rover substitute but for heavy towing it has no rivals. Appropriately equipped for an extra £485, it will pull no less than 31 tons, though what its fuel consumption would be hardly bears thinking about. The interior is well wall carpeted. Muddy wellies will not be worn.

The Subaru four-wheel-drive station wagon looks as ordinary as a Marina estate, though the extra clearance under the wheel arches and the knobby tyres give a clue to its dual personality. In essence it is a front-wheel drive car with a flat-four cylinder 1.6 litre engine. An auxiliary gearbox powers the back wheels, too, when required. All you do is flick a tiny lever at any speed up to 50 mph.

The gear ratios are unchanged but taking the Subaru over the same course as I had tried the Daihatsu on caused no problems. It romped up the 1-in-3 gully and did everything the Daihatsu had done though in far greater comfort. On the road, it felt as strong as a Saab. It will run up to 85 mph and give close to 30 mpg. The rack and pinion steering is sharply accurate and standard equipment includes a radio.

The only thing that stops the £3,990 Subaru being a poor man's Range Rover is its lack of both litters and a set of low-range gears. Asking it to pull a two-horse trailer would be unkind. But as a civilised road-going estate car with the ability to tackle off-road conditions a normal car wouldn't look at it, it is in a price class of its own.

A little fellow's magic

CHICAGO, June 30.

IN ATTEMPTING to compile a half-term report on the golfing class of 1978, Gary Player has no rivals at the head of the list. The most remarkable aspect of his brilliant season to date is that the little South African knew that at the age of 42 he had to produce a super-human effort if he was not to slide into oblivion. Although his manager, Mark McCormack, would probably argue vehemently, about the only contracts Gary could have relied upon for the future were those that were somehow connected with prolonging active life. Player has finally made the point that he has been hammering home for half a lifetime, namely that there is no substitute for total physical fitness even in what is regarded largely as a mental game.

In the airport lounge at Toronto last Sunday evening, when Player cut an unusual figure in leather jerkin and wide-brimmed hat of the same material, he frankly admitted that to play 16 consecutive tournaments on this continent had been a mistake. Player was so relieved to be going home to rest before the Open Championship at St. Andrews that he was as light-headed as a heavy drinker before the inevitable let-down, and as we all know, Gary doesn't indulge in that area.

He was finally prepared freely to admit that while he had felt perfectly ready physically to win a second U.S. Open he craved so badly, he had found himself totally exhausted when it mattered in the final round. Not even Player could carry

himself through that crisis by self-hypnosis. But those who saw him on the television screen as he hit his second shot to the 13th green at Augusta in that wonderful final round of 64 in the Masters will know exactly what a marvellous job Gary has done to convince himself of his new found balance that has, he believes, rid him of the damaging hook that plagued him for years. Not even Ben Hogan triumphed so completely over physical disadvantages with such consummate willpower.

Of all my treasured memories of Player in this department, an incident at last year's World Series of Golf comes repeatedly to mind. Player was like a child with a new toy because he had found a No. 6 wood in Firestone Country Club professional Bobby Nichols's shop, and was demonstrating most convincingly to a commentating colleague and myself how a little fellow like him could use it more effectively than an iron club to extricate the ball from the tigerish rough that abounded there.

Fixing us with those huge brown eyes and nodding his head and forefinger, as is his wont, Player said in all seriousness: "Think what one hell of a golfer I could have been if I had discovered this weapon 20 years ago!"

If 1978 has been Player's finest year, it has been scarcely less magical for both Lee Trevino and Jerry Heald. Both men were struck by lightning in Chicago during the 1975 Western Open at Butler National Golf Club. Trevino underwent back surgery in November 1976 for the fusion of spinal discs. Heald has painfully endured this trouble that has been similarly linked ever since to that thunderous incident, which weather forecasters say could occur again during the same tournament here this week-end.

But while Heald's earnings plummeted to \$5,955 in 1977 giving him 173rd place in the earnings table, Trevino at least

won the Canadian Open to compensate for a slide down that list from fourth place in 1974 to 33rd last year. This season Trevino has again been a force to be reckoned with practically every time he has teed up the ball, and with a win in the

GOLF

BEN WRIGHT

Colonial and many more near misses, including four second-place finishes, is in sight of his all time best year.

He will carry my money at St. Andrews, where he collapsed so dramatically in the final round of the 1970 Open Championship. But Heald's come-back to win the Atlanta Classic in May was, if anything, more moving, in that this easy-going Californian had really plumbed the depths

both physically and mentally in his personal life.

The continued brilliance of Player and Tom Watson, the emergence of a new superstar in Andy Bean, and the ever-rising standard of play here have almost caused Jack Nicklaus to be overlooked since his fabulous finishes in February to win the Jackie Gleason Classic and lose to his life-long rival Tom Weiskopf two weeks later at Doral.

But Nicklaus is acutely conscious of the idle chatter that gathers decibels daily that as a major championship contender he is a back number. Nicklaus has not won one of the four major titles since the 1975 USPGA Championship. Three years after Arnold Palmer won his last major, the 1964 Masters, the great man won four tour tournaments, and anyone who predicted then that he would never again win any of the big four would have been branded

as a lunatic. So it is more than slightly ludicrous prematurely to write off a man who has won exactly twice as many major titles than did Palmer. Yet there are those who would bet on Nicklaus's decline—and I have to admit to having been one of the heretics.

On the home front there can be nothing but optimism that in Howard Clark, Nick Faldo and the physically unlikely Ken Brown we have the nucleus of a worthy task force to turn back the Spanish armada and the new breed of upstart Austrians. But to talk of a British victory in our Open as even a possibility is wickedly unfair in pressuring the youngsters to whom the hopes for the future rest. In the amateur game twice champion Peter McEvoy stands head and shoulders above the rest, and one can only hope he will see fit to try his luck here in the U.S. amateur championship in August.

Guide, diplomat and PR

THE MAIN talking point while the rain fell heavily at Leeds has not been so much about when and how England would beat Pakistan but on the future of the England captaincy. There has never been any doubt that Mike Brearley is an intelligent, shrewd and diplomatic skipper, who since taking over from Tony Greig has never lost a Test.

His one basic weakness is that although a determined and accomplished opening batsman, at the highest level, is short on class, as illustrated by a career average in the high 30s, after 17 Tests he has still to make a century and is only

averaging 26. The view of the average Yorkshire supporter at Headingley is that this presents no problems because "our Geoffrey" is ready and willing to take over a role he should have had long since.

I have no doubt that if Geoff could have led England against Pakistan this summer instead of Brearley, the outcome would have been the same, and am

CRICKET

TREVOR BAILEY

inclined to think he is probably better suited to captain England than Yorkshire. However, whether the selectors would consider him for the job in Australia if Brearley continues to fail with the bat, is an entirely different matter. For one thing many knowledgeable Yorkshiremen are having doubts about Boycott, not as a batsman but as captain of the county. Since he too over the leadership from Closs Yorkshire have won nothing, and all too often have failed to play to their potential.

My belief is that Brearley will rediscover his form and take England to Australia. I do not think the selectors would be willing to give the job to Boycott, not because he lacks the tactical ability but because overseas this alone is not enough. A touring skipper ideally should be a combination of guide, philosopher, psychologist, diplomat and public relations expert, which is not Boycott.

There are other reasons. First, several of the England team would welcome Boycott, an individual and as a batsman but not as captain. Second, recent years he has been veering in and out of the Test team and Boycott must be near the end of their Test career. Our selectors should certainly start thinking about a success to both.

Some new ideas for the navigators

Trinity House and I.T.T. are now in the final stages of evaluating a new coastal navigation system which is called the Radio Lighthouse. By the early 1980s there is a good prospect of a chain of these installations being available to enable yachtsmen in British waters to navigate with greater safety, simplicity, and accuracy.

A unit which has been developed by Standard Telecommunications Laboratories at Harlow—a British subsidiary of I.T.T.—with enthusiastic support from amateur sailors on the staff is to be installed in the Portsmouth area soon for contract evaluation. It will be an engineering prototype. But it is my impression that Trinity House and the other two lights authorities for Great Britain and Ireland—Northern Lights and Irish Lights—are keen to press on with orders for a production run.

"Radio Lighthouse" is such an apt name for the new device that I for one hope that it will find a permanent place in the nautical vocabulary. Conventional marine radio beacons require the vessel to estimate its own bearing from the beacon by turning a directional aerial

on board ship and reading the bearing. That is at best a tricky operation and is sometimes beyond the capabilities of sea-sick amateurs in rough weather.

In contrast a Radio Lighthouse will tell YOU the mariner at what bearing you lie from IT. It will operate on VHF frequencies and, unlike a conventional lighthouse, will be equally useful by night or by day, and in thick weather or clear.

Dr. D. G. Kieley, director general of electronics research at the Ministry of Defence, is also the independent chairman of the research and development policy committee of the three British Isles lights authorities. His committee is currently looking upon the Radio Lighthouse as one of the best pieces of applied research they have supported. It actually developed from a desirable idea into a workable system via aeronautical research into microwave landing systems and has had Department of Industry backing. So far about £50,000 has been spent on it by all the parties concerned.

The lights authorities like the low-cost and simplicity that the Radio Lighthouse embodies.

Units are expected to cost only in the region of \$8,000 each. They will be small electronic packs. They can be easily transported and installed, and they require only simple aerials.

The lighthouse authorities believe that spending of that order can be amply justified for each of the more dangerous headlands, shoals, rocks, and islands of the British Isles if

BOATS

ROY HODSON

the amateur sailor is thus enabled to fix his position with regard to those dangers more certainly. Port and harbour authorities and marina companies are also likely to buy the Radio Lighthouse to identify their approaches.

Now to the details of how it works. The important point is that the accuracy of reception is quite independent of the shipboard installation and the skill of the user. Trinity House estimates that a cheap VHF receiver costing no more than £20 might be developed

specifically to receive Radio Lighthouse signals. The only additional function then needed is the ability of the mariner to count a series of "blips" and to transfer the information he thus acquires to plot his position on the chart.

The receiver can be small enough to put in an oilskin pocket and listen to on an earphone. The mariner will press a button on his crystal-controlled receiver to tune into the beacon of his choice. He will hear an identification signal followed by a series of "blips" each of which will represent 2 degrees on a base bearing. When the "blips" fade the count has reached his vessel's bearing from the Radio Lighthouse. I am assured it will be a far simpler matter than trying to count and identify the dots and dashes one hears on the long-range Consol navigation system.

But even the chore of listening and counting will not be necessary to use the Radio Lighthouse. It is expected more advanced yacht radio receivers will be marketed at about £100 which will identify beacons with a digital "read-out" and follow with a similar "read-out" of the yacht's bearing from the

Radio Lighthouse. With it system there will be nothing more to do than plot the information. Accuracy can be to a degree with such sets, being developed specifically for the small boat sailor who is equipped with a big-ship navigation system such as the Radio Decca Navigator, and sophisticated radio direction finders to interpret the existing MF beacons.

With a range of less than 10 miles from the transmitter it is not intended for offshore position-fixing—although it can, of course, be used in that way. The yacht happens to be within range of two or more beacons at once. The main use is to give the amateur a reliable position line through a known point in poor visibility.

Congratulations then to concerned for promoting what will be the most advanced coastal navigation system small boat sailors available anywhere in the world. It renders the "dog-barking" navigator obsolete. He was a bit incidentally, which developed on the Californian coast, used to stand-in and identify headlands by the distinctive bark of whichever pet pig lived thereabouts.

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BRIDGE

E. P. C. COTTER

WHEN TWO partners in misadventure fight against each other—it happens all too often—disaster is not far away. On a happier note I should like to recall two hands from a pair of some years ago, which I played with one of my favourite partners, and demonstrate what real understanding he showed. Look first at this:

N
♦ A 4
♦ A K J 5 4 3
♦ 3 2
♦ 8 4 2

W
♦ 10 8 3
♦ Q 10 8 6 2
♦ —
♦ K Q 9 6 3

E
♦ Q J 7 6
♦ 7
♦ K Q 7 5 4
♦ J 10 7

S
♦ K 9 5 2
♦ 9
♦ A J 10 9 8 6
♦ A 5

West dealt at game all and passed. North opened the bidding with one heart, and I replied with two diamonds. North re-bid two hearts, and I said two spades, a responder's reverse which is forcing. Now

North did not persist stubbornly with hearts, but gave preference with three diamonds, which is the acme of partnership understanding. I might have bid four diamonds—in fact, I was wrong not to—but I passed.

West led the club King, taken by the Ace, I cashed Ace, King of spades, and ruffed a spade on the table. I made the heart Ace, and followed with the King, hoping to discard a losing club, but East ruffed, and I over-ruffed. Now I ruffed my last spade on the table. West's failure to ruff in front of dummy revealed the trump position. I ruffed another heart in hand, and then cut adrift with my five of clubs, which West won. East had to ruff West's return, and I over-ruffed. I now held A-J 10 of trumps, while East held K-Q 7, so I led my Knave, losing to the Queen, and took the last two tricks.

I was not really disappointed at missing the vulnerable game, because it is on the whole a lucky make. Anyhow the score of 150 for three diamonds plus two brought in a good share of the match points. Several Northerners toiled unhappily in heart contracts, other pairs sought refuge in three no trumps, which was doomed from the start.

The second hand is a corollary

to the first:

N
♦ 2
♦ 6 3
♦ A Q 8 3 2
♦ A K 9 6 2

W
♦ A K J 9 6 3
♦ A 7
♦ J 9
♦ Q 5 4

E
♦ Q 10 5
♦ 8 2
♦ K 7 6 5 4
♦ 8 7 3

It game all West bid one spade, my partner overcalled with two diamonds, East passed. I said two hearts, and over North's rebid of three clubs I said "three hearts."

Now my partner showed great faith in me. I had not given preference for either of his suits, but had rebid my own. Therefore my suit must be a good one. Not only did he accept my suit, but he raised me to game.

West led the spade King, and switched to Ace and another trump. This prevented dummy from ruffing spades, but with the clubs breaking, I made 11 tricks.

If West had led the heart seven at trick two, he would probably have saved one trick: if he had started with that card, he would have made things even more awkward. I could not have got out the trump Ace, because I would have lost three spades, but I could have got home by finessing against the club Queen. In fact, as the cards lie, I can still make 11 tricks by discarding a spade on the third club, and leading a fourth club. East ruffs, and I over-ruff. It does not help West to over-ruff with his Ace of trumps, so I return to dummy with a diamond, and lead the last club, throwing my last spade.

CHESS

LEONARD BARDEN

THE MIDDLE game has an undeserved reputation of being always the hardest part of chess to master. The average player distrusts sacrificial attacks or strategy as too risky or too long-winded for club matches with adjudication on move 30. He is more interested in a book opening trap which can be prepared in advance or in winning a pawn and waiting for the adjudicator to award the point.

Study of positional themes can benefit a club player as much as the latest variation in his favourite opening.

A new and highly recommended introduction to positional techniques is Simple Chess by Michael Stean (Faber paperbacks, 116 pages, £1.95).

Stean is one of Britain's three grandmasters and No. 2 in the England team for the world championship in Argentina this autumn. His lucid and helpful book is easier to read than some of the heavyweight middle game writings of Euwe, Pachman and Edward Lasker.

By concentrating on five important facets of chess strategy—outpost squares, open and half-open files, strong black or white squares, and space control—Stean explains chess planning and economical use of the pieces. One positional technique valuable for a club player is using a knight outpost to support a pawn break or a king's side attack in a blocked position. The squares to aim for are Q84 in queen's side openings such as the Benoni (the knight helps White play P-K4, P-KB4 and P-K5) or KB5 in the major king's side opening, the Ruy Lopez.

Even in master chess, players sometimes fail to realise the problems which hit Black if he allows such classical "outpost attacks." Two games this week each furnish a telling example. In Gligoric v. Paoli, Black's error comes on move 15 where his bishop moves off the diagonal guarding his KB4 while he also misses the opportunity for 33 B-N5, B-B4 cb; 34 K-P-KN3, keeping out the white knight. White's winning strategy is then to regroup both knights to squares (KB5, KN4) where they have to be exchanged; then the resulting pawns on the KB and KN files can advance further, while the KR file is open for White's queen and rooks. With the centre blocked, Black can do nothing to stop the attack.

White: L. Polugaevsky, B. P. Bivasas. Opening: Queen Gambit (Petropolis 1973). 1 P-Q4, N-KB3; 2 P-QB4, P-K3; 3 N-R3, P-Q4; 4 N-B3, P-K3; 5 P-K3, Q-N3; 6 B-Q3, P-K3; 7 BxP, P-Q4; 8 B-Q3, P-K3; 9 P-K4, P-B4; 10 P-Q5, P-K3; 11 P-QN3 (to stop the black P-B5 and N-B4); 12 Q-Q2, P-K3; 13 P-K1, P-B4; 14 B-B1, N-R1; 15 P-QR4, N-N5; 16 N-N1, closed positions, there is a time for regrouping. 17 Q-N3, P-R3; 18 B-N2, N-R1; 19 B-R1, P-R3; 20 P-R5, N-B4 (White takes the square); 21 N-B3, P-QB4; 22 N-B3, P-QB2; 23 P-B4 (... and over the centre); 24 Q-R2, P-P4; 25 NxB, N-N6; 26 N-B4, P-R5; 27 N-N5. Resigns.

If 27... Q-Q3; 28 BxKP, 29 P-Q6 ch—simple chess across to the KR file) PxP.

30 R-R1, P-R3; 31 R-P4, P-K3; 32 PxP, P-N3 (if PxP; 33 P-N5, B-B4 cb; 34 K-P-KN3, keeping out the white knight. White's winning strategy is then to regroup both knights to squares (KB5, KN4) where they have to be exchanged; then the resulting pawns on the KB and KN files can advance further, while the KR file is open for White's queen and rooks. With the centre blocked, Black can do nothing to stop the attack.

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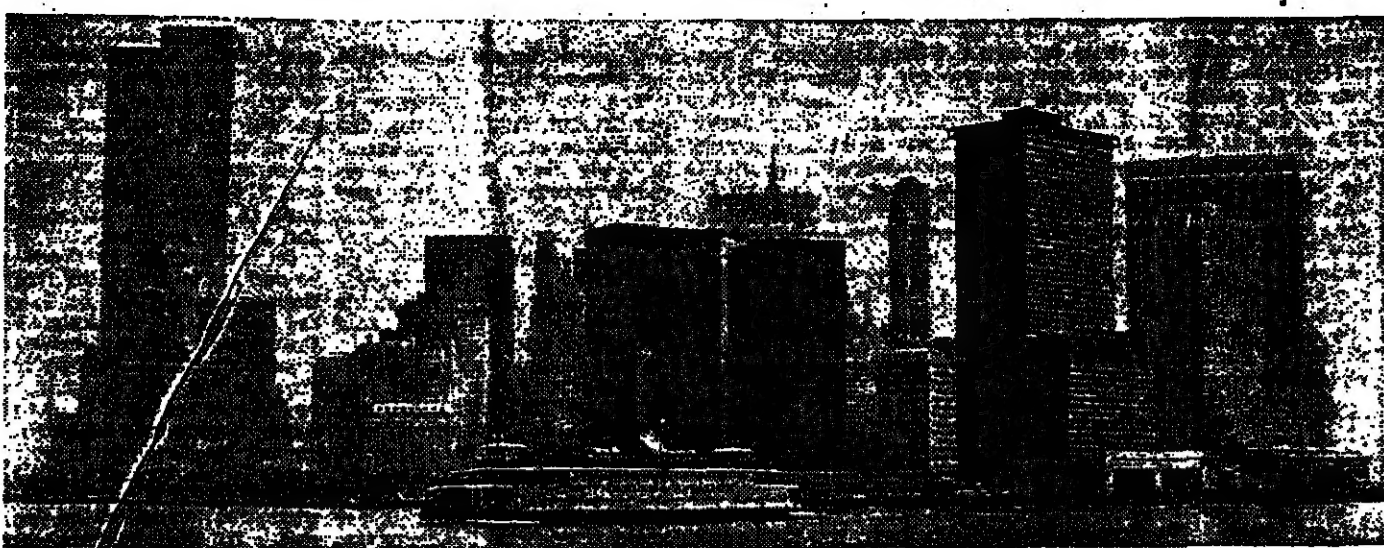
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If 27... Q-Q3; 28 BxKP, 29 P-Q6 ch—simple chess across to the KR file) PxP.

White

TRAVEL



The green heart of Manhattan

IFX EIGHT o'clock on a Sunday morning in New York, the horse-drawn cabs are already lining up to catch customers for early or normal times. Opera and ballet, when in season, also are still piled high with copies of the 4 in-thick Sunday edition of the New York Times, the Park itself has been barred to motor traffic and made free for Sunday joggers, bird-watchers and cyclists.

As a visitor, too, I have found Sunday a splendid day to seek out some of New York's infinite range of pleasures. A city so strongly Jewish and Irish, Catholic (Irish, Italian, Hispanic) displays none of the Protestant gloom which still makes the English Sunday so often an occasion for shutting down rather than opening up. Start planning your New York Sunday with Friday's edition of the New York Times, which carries a special supplement on the weekend's special events. Add to it a copy of New York (not to be confused with the New Yorker) magazine and, if you are on a budget, the invaluable guide-book entitled New York on \$15 and \$20 A Day. Do not waste time visiting the official but unsmiling and unhelpful New York Visitors' Bureau in Times Square—unless it is to acquire some "twofers," vouchers giving cheap admission to the theatre (two-for the price of one).

Many of New York's theatres are indeed open on Sunday, including those of the West End theatre row, which has been reclaimed from squalor and urn. Open, too, is the "TKTS" urn on Broadway where

NEW YORK

ARTHUR JACOBS

including that astonishing supermarket for reduced-price books, the Barnes and Noble annex on Fifth Avenue. But, given fine weather and an energetic feeling, I would never wish to spend a New York Sunday entirely indoors.

Resisting the temptation to hire a bike (\$6 per day) or join the joggers, I have walked miles in solitary strolls or on one of those conducted historical tours where a guide shows you New York's architectural history as only a Sunday pedestrian can see it in relatively uncluttered streets. Public transport also becomes attractive: on Sundays (and also on Saturday evenings), New York's one-price bus fare drops from 50 to 25 cents, and the subway (Underground) makes a similar concession.

Moreover, at weekends only there are two "Culture Bus Loops" exploring the city. The fare of \$2 includes a printed guide and map and allows you to dismount and continue by a

later bus at any number of stops. The southern loop crosses the river to unexpectedly spacious Brooklyn, is perhaps the better, though the northern one led me to the surprising El Greco and other paintings in the little-known Hispanic Museum.

Well before noon on Sundays is the time to visit New York's equivalent of Piccadilly Lane, the bustling street market on the Lower East Side where clothes hang like banners. From here, walk (via a splendid view of the entrance to Manhattan Bridge) to Chinatown, where even the telephone boxes wear miniature pagoda-roofs, and where Mott Street offers the bulging Kam Kuo Chinese supermarket as well as the usual curio shops and restaurants.

Time for brunch! This is a Sunday feature for New Yorkers and their visitors alike. From 11 to four approximately, restaurants offer a several-course meal, usually but not necessarily based on such a traditional dish as Eggs Benedict (poached eggs on ham with hollandaise sauce), at an inclusive price far below its weekday equivalent, beginning with a vodka-based cocktail. The newest favourite, and mine, is "bullshot"—vodka with cold chicken broth. In the Central Park area I recommend the \$6.95 brunch in the elegant Barbizon Plaza Hotel; further north, at Broadway and 51st street, the Hungarian Restaurant is cheaper and gastronomically quite special.

In the afternoon, the visitor will not of course neglect the glories of the Metropolitan Museum, the Guggenheim Museum (where the spiral interior is as impressive as the selection of paintings) and other major public galleries. The more elegant of the commercial galleries are not open on Sundays, but visitors are welcome at many of the artists' own displays in SoHo (so spelled because it means south of Houston Street).

Any Sunday in summer is likely to reveal a specimen of those parades, street fairs, or "block parties" when a large or small area is cleared of traffic to accommodate processions, entertainments, and sales of foods and crafts—often with an ethnic character, and always with articulate New Yorkers to talk to. Join them also, strolling or sitting at Lincoln Centre, home of concerts and opera, where the fountains, pool, sculpture garden and open-air cafe provide the relaxing atmosphere which London's South Bank should have and does not.

After a choice of evening entertainment, where to end up? "Up" is the word. A snack or a drink at the Windows of the World Restaurant, 107 storeys high at the top of the World Trade Centre, allows an enchanting view of the night-illuminated city and of the illuminated Statue of Liberty in the harbour. So I ended a recent New York Sunday—yet, as I drove homeward after midnight, a street fair extending from Chinatown was still going on, only a few hours before the city was to begin its workaday week once again.

No depression over the Azores

THE AZORES, although a group of relatively small islands some 700 miles from Lisbon and well into the middle of the Atlantic, are easily accessible from both the UK and U.S. on the regular scheduled services of TAP. While the Azores hardly feature on the tourist map—very few British tour operators include them in their brochures—it has long been a familiar name both to the seafarers and to the mariners of old.

While the group of nine islands determines a good deal of Western Europe's weather, I found no sign of any depression down there. The weather was perfect and the three islands I visited were bathed in warm sunshine with a pleasant breeze blowing off a surprisingly blue Atlantic.

Sooner rather than later in any conversation whether in mainland Portugal or in the island communities the words "After the Revolution" will be heard. The eventual plan—it seems completely logical—is to fuse the three communities, which between them administer the nine islands into a single unit to develop the tourist potential. Santa Maria has only one hotel and that is in urgent need of considerable refurbishing. The island is tiny and you can visit the main points in an afternoon. The pepper-pot chimneys provide an instant reminder of the Algarve and Vila do

Porto is perhaps more truly a rather sleepy and straggly village than a town. All islanders have a highly developed sense of pride yet, by general agreement, easily the most attractive town in the archipelago is Angra do Heroísmo on Terceira. It is built on a series of hills with nothing at right angles to anything else with, at its heart, the delightful little Restoration Square with the Angra Hotel looking out over the brilliance of the flowers in the little town park. If you are in search of

much the big brother of the Azores, the main resort hotel at Furnas is set inland in a spectacular valley and surrounded by some well-landscaped gardens with the only yellow swimming-pool I have ever seen. A natural thermal pool fed directly by warm springs which ensure that it retains a constant temperature throughout the year. Indeed the whole area is rich in natural springs, breaking sometimes with a little plop-plop of steam in the still air of the valley rather like Iceland's, if only for that breathtaking famous geysers but on a smaller scale.

Punta Delgada is a major seaport and, being fairly industrial, is not really a resort. The imposing waterfront promenade, with a delightful main square at the centre, is impressive enough but it is not matched elsewhere. Driving along reasonably good roads is a continual delight. Never have I seen so many hydrangeas growing at the edge of the road, predominantly blue with clumps of pink and white to offset the wild roses. The same pattern repeats itself in the other islands with the floral highways a source of recurring and constant pleasure to the eye.

Santa Cidades, in spite of its grandiloquent-sounding name of Santa Cidades, is a picturesque

AZORES

PAUL MARTIN

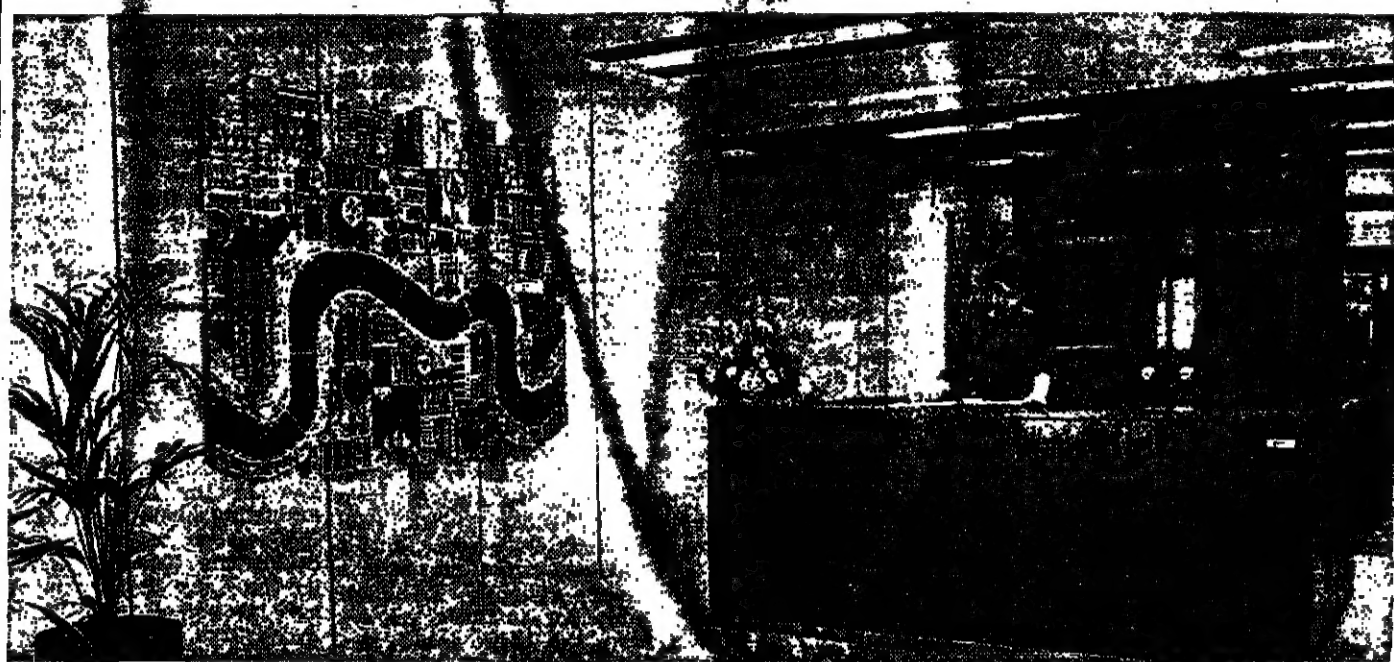
the accepted bright lights, they are not there and the islands do not seem to go in for cafe life.

Angra has a small port and I went up to the Memoria viewpoint, looking down over the delightful piggedly-piggedly pattern of rooftops before driving up, to the other side, through some pleasant woods to Monte Brazil with the clear water dividing the headland from the little town.

San Miguel, with its airport only 10 minutes away from the capital, Ponta Delgada, is very

enjoyed a first glimpse of the Azores but felt that I had been lucky in picking a patch of unbroken fine weather. The tourist potential is there, particularly in the outer islands, but, if the authorities really want to develop it, some new and modern hotels are very much the first priority.

ADDRESSES: Portuguese National Tourist Office, 15 New Bond Street, London W1Y 6BN. Subscriptions: Madeira House, 25 St. James Street, Whitehall Court, London W1A 1AA. TAP (Linha Azores), Gillingham House, Gillingham Street, London SW1V 1LW. Airlines: Wines, Hotels, Western Garden City, Wines AL7 LJS.



The Clarke's ceramic in the foyer of Arthur Anderson.

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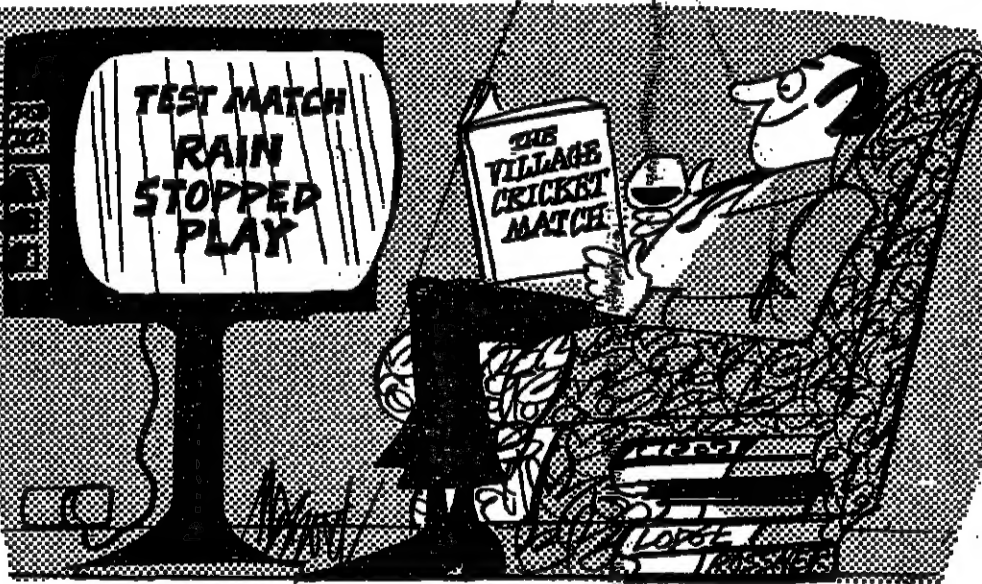
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Summers of our dreams

IMAGINE writing a novel now about Bareshtire or Combray. He, we are told by Parker, was killed at Dunkirk, and he made his highest score as Tillingford's captain (88) while young Peter was being born.

While Tillingford has remained comparatively unspoiled apart from some excrescences like the hideous red-brick housing estate that now borders the north side of the cricket field, Raveley has suffered the fate of overspill development and swollen horribly.

In cricketing terms this has provided the bonus of some extra talent and the side now boasts a couple of Pakistanis and a Jamaican. Otherwise all is remarkably as it always was: the author wishes to apologise to the ghost of Hugh de Selincourt, for presuming to replay his "Cricket Match" some fifty or so years later.

This may be considered pretty scant acknowledgement in a book which is entirely modelled on an earlier one (The Cricket Match) and copies its immaculate form with exactitude; but the plagiary, if such it be, is carried out with so reverent a fidelity to the spirit and letter of the original that no-one is likely to complain. Indeed to read the two books in sequence, Selincourt's and then Parker's, is to have a sense of the continuity of English village life in spite of immense changes that have occurred within it during the past half-century.

This sense of continuity is underlined by Parker's putting in his Tillingford eleven some descendants of those who represented the village in Selincourt's time. The surnames, Smith, Trine, Hunter, White, and Gauvinier, occur in both teams; and the Parker captain, Peter Gauvinier, is the son of Selincourt's skipper, Paul Gauvinier. He, we are told by Parker, was killed at Dunkirk, and he made his highest score as Tillingford's captain (88) while young Peter was being born.

Even the teams' tea in the pavilion during the interval is as good as ever: "There were flowers on the table to-day; marguerite daisies and maiden-hair fern: there were cucumber sandwiches and lettuce and a plate of radishes. The white tables looked pretty and inviting" (Selincourt). "The table was indeed attractive—egg and watercress sandwiches, ham sandwiches, bread and butter, two sorts of jam, and plates of cakes—spread at intervals along the table" (Parker). In Selincourt, Tillingford bat first; in Parker it is Raveley at the crease, and as luck would have it Norman Smith, Tillingford's one bowler of real pace, is delayed on a job and will be

unable to open the attack. In both books the finish is suitably nail-biting and not resolved until the shadows are lengthening and the last over is being bowled.

From cricket to tennis and a brief reminder that a paperback bible of tennis, edited by my colleague John Barrett and compiled by Lance Tingay, World of Tennis 1978 (Macdonald and Jane's £3.95) now enters its 10th year of publication: it is even more comprehensive this year containing reports of all the major tours, professional competitions, grand prix, team tennis series, national and international rankings, and much else besides.

In case it should rain at either Wimbledon or Lords (perish the thought) it is my habit to have a readable paperback novel at the ready in a capacious jacket pocket. Two that I can recommend for the purpose are David Lodge's Changing Places (Penguin 95p) and Judith Rossner's Any Minute I Can Split (Star 95p). Not only are they compellingly witty, they are deeply accurate about two kinds of people who have as groups a considerable influence both here and in America, academics and middle-aged drop-outs, (often members of the one are also the members of the other).

Mr. Lodge reveals what happens when two teachers of English literature, one English from the University of Rummidge, and the other American from Euphoria University, take over each other's jobs for the academic year. His comedy has a fearful symmetry. Miss Rossner takes us into a commune in Vermont to where her pregnant heroine has escaped from her marriage, and where she has twins on arrival. Now read on.

PAPERBACKS

ANTHONY CURTIS

Brightness for all

HOW MANY times a day do most of us stare glaze-eyed at the same bare area of office wall? Those moments between diligent eyes-down activity must add up to thousands, yet very few firms have the imagination to fill the space with something. What's more, Britain harbours a wealth of artistic talent which needs encouragement and nurture from the people with the money. Yet how often does one see anything other than a bland print in public and work places—and often not even that?

One London organisation at least has seen fit to introduce courage and imagination on to its walls. Since the end of the 'thirties, the London office of Arthur Andersen, Chartered Accountants, has been building up an art collection. Its rationale as well as its choice of pictures seems to be unusual in Britain.

Ian Hay Davidson, managing partner for the UK and a collector of original prints himself, introduced the idea of decorating office walls with something more adventurous than reproductions, nineteenth-century prints and the ubiquitous "map of the world with pins stuck in it" for the entrance foyer.

It was he, as a member of the Library Committee of Greenwich Borough Council, who thought up the idea of a print lending scheme in local authority libraries. His own interest in prints began at about the same time, partly due to the influence of Joe Studholme, Director of Editions Alcoté, then dealing in early Hockney, Vasarely, Panofsky and Patrick Procter. Ian Davidson admits that he did not have the nerve to force them on the office at that stage.

However other pictures started to appear, including a set of brilliantly coloured suspended screen-prints called "Colour Boxes" by Robyn Denny—hardly a conventional choice.

By the time the move to new offices came, to Arundel Great Court near Temple, there were 170 prints to be transported from the old premises and the art scheme took on a new impetus.

Since then, barely a year after the move, the collection has grown to close on 300. It includes works by Patrick Heron, Elizabeth Frink, Patrick Caulfield, Peter Blake as well as conversation piece portraits of "too demanding." These take all the partners were rejected in favour of something which more conservative nature and

others by less well-known artists. But together—in the gentles way though not always unobtrusively—they are effecting a small visual revolution. In spite of resistance in a few cases, most people end up by liking what appears on their walls and taking an increasingly active interest in the scheme.

The guiding light behind the recent growth of the collection is Paula Critchley who, as art consultant, has taken over the job of choosing and sitting the pictures. While sensitive to her clients' tastes and prejudices, she finds that exposure to contemporary art cures most people of their resistance to it. "It's like sitting in a concert hall and having to listen to a difficult piece of music all the way through," she says. "If you're confronted with modern art daily, it gradually influences you. People have even been known to buy their office picture and take it home with them."

If anyone is genuinely unhappy with their visual diet, they can have it changed. Partners choose their own wall fellows, though Ian Davidson likes to retain some control even over these. There is definite disapproval of pictures that are considered tasteless or jarring. "Modern, progressive, original but not bash or revolutionary," he says in summing up the image he wants to project. "If it's unconventional, it's because it's genuinely original."

Implying that the same goes for the firm.

It was with these qualities in mind that a large ceramic relief was commissioned from Kenneth and Ann Clark—the firm's second venture into commissioning (the first being a tapestry by Archie Brennan). The ceramic depicts the area of London where the firm has its office—a familiar theme perhaps but by no means traditional in treatment. This three-dimensional map in blue and sepia now hangs in the foyer giving the commissionaire much extra work—to his own enjoyment—in providing background information.

Deciding what to put in this important space involved the whole firm in a long and lively debate. Ian Davidson's idea of a conversation piece portrait of all the partners was rejected in favour of something which would be of interest to a greater

number of people. In the event, the ceramic has proved to be the most universally popular piece. In this way, the firm's policy is as much an expression of democratic and human values as image-projecting exercise. As one person put it, "By far the most important aspect is to make the place friendlier, to bring a personal atmosphere into a working environment. People here work longer hours than many."

If this kind of invisible investment in people is more important than any kind of financial gamble on the art market the pictures have nevertheless gone up in value since they were bought. But this was never an intention in making the collection. "If you were buying for investment you could come unstruck badly," Mrs. Critchley admits. "The market is too unpredictable and depends too much on changing tastes."

Yet leaving aside investment on the ambitious scale that is common in the U.S., art is still sadly neglected by most British firms who would rather put money into advertising or a better office machine. To many, as Mrs. Critchley points out, modern art is a dirty word. "They are very cagey about it. They will spend £50 on a dowd chair, but can't afford £80 to a good print."

Sponsorship of theatre or music may have more obvious advantages in that they offer a easy way of entertaining clients. Yet there is a growing feeling that people in industry and business have a duty to support the visual arts more purposefully than they do at present. "If Paula Critchley laughs at the word 'duty'," she says, "Industrial Sponsors is an organisation which will put on an exhibition of young, lesser known artists on a firm's premises and the private view can be at least as interesting and prestigious a way of entertaining clients and friends as an evening at the theatre."

What's more, the benefits of a scheme such as Arthur Andersen's are many-sided. They feel that if more people could witness its success, many firms would want to follow suit. But you've got to have a thrust from the inside which recognises that people respond positively to stimulating surroundings.

A little gratuitous brightness at work might work wonders. Anyone feel like trying, for the sake of directors, artists, workers and all?

View weekend at Arundel 27.25, Balcony 68.25, French 8.25, Italy 1.50, Greece 45, Spain 14.75, Switzerland 3.60, U.S. 1.25. Source: Thomas Cook.

مكتبة النخيل

HOW TO SPEND IT

by Lucia van der Post

Vroooooom! Vroooooom!

I'VE NEVER been terribly fussy about transport. I only ask that it is there, is comfortable and, above all, never, ever, suffers from the slightest mechanical defect. Anything that answers those needs meets with my approval and those extras—like handsome lines and stereo cassette—that men seem so concerned about, are very much inconsequential options. One mode of transport that I was quite, quite sure would never meet all my requirements was a motorbike—much too butch, much too chilly and all very well if you're a Mike Hailwood but not for the likes of rather timid, comfort-loving creatures like myself.

Well, recently, I've rather begun to change my mind. My increasing resentment at spending pounds and frustrating hours travelling about London, whether for work or pleasure, has led me to think there must be some other, better way of getting around.

My 15-year-old son meanwhile has, forcibly, been turning my thoughts in the direction of motorcycling as well by spending every moment in the family car appraising the two-wheeled models on the road. One of these I gather is

what is most likely to be welcomed as a 16th birthday present.

Some weeks ago the Institute of Motorcycling, an organisation designed to promote motorised two-wheelers, offered me a chance to get acquainted with a Puch Maxi, two-speed version (price £224.50).

I was lucky. It arrived in the middle of the only hot spell we've had this summer, so setting off on it was a real pleasure. I didn't feel insulated from people, scenery, sunshine and the whole world, the way you do in a car. A friend with a cottage in the South of France says the smell of herbs and the countryside as she rides her bike makes it an incomparable experience.

I did, however, feel very frightened. It took me quite some time to become familiarised with the starting mechanism, although really it is very simple. It also took me some time to become accustomed to the way the bike moved and turned and how to adjust the speed on the handlebars.

It was nice not having to think about gears and clutches. It was particularly nice to set off and not be worried about traffic jams and where to park.

We only have one car which my husband takes to work, very early. Very often I'd like to do some shopping before setting off for work but by the time I've gone to the shops and returned home, well over an hour has gone by. The bike transforms all this.

I wouldn't like to use a motor-cycle as my sole means of transport. I'm sure I shall hate it when it's cold and wet and windy. It's no way to travel to a party or a dinner and I wouldn't like to have to travel long distances on one either. But as an adjunct to the family car, as a secondary vehicle to help with the shopping, to do small journeys quickly and cheaply, it's marvellous.

Even the smallest family car nowadays costs over 10p a mile to run, while a motor-cycle can be put on the road for as little as £160 (but more usually for about £200) (taxed and insured). After that it costs between 2p and 3p per mile to run.

Clothing is important. You have to wear an approved helmet, and gloves are advisable. Flat shoes and trousers are ideal but both of the two female experienced motor-cycle drivers I

interviewed quite often ride them wearing skirts and shoes with slight heels.

I was singularly confused about the regulations governing riding motor-bikes so we asked the Department of Transport to put us straight.

If you are 16 you are entitled to ride a moped (i.e. a motorised two-wheeler under 50 cc and not capable of doing more than 30 mph) on a provisional licence (cost £2) showing L-plates.

At 17 you are entitled to drive a moped or a motorbike up to 250 cc on a provisional licence, without having to take the test. You can just go on renewing the provisional licence for as long as you like or you can take a test and get a proper licence (this costs £5 but is, of course, permanent).

If you already have a driving licence, it serves as a full licence for a moped or as a provisional licence for a motor-cycle. But if you want a motor-cycle licence you will need to pass a test.

You cannot ride motorbikes under 50 cc on motorways and you must have a full licence before you ride an authorised motorbike on a motorway.

Holiday cheer

GIVEN THE kind of summer we've had so far and the kind of summer we endured last year, most of us don't feel like investing a lot of money in hot-weather clothing. On the other hand, to arrive in a holiday resort and be the doziest person on the promenade is no kind of fun at all. Somehow, whatever resort one arrives at, there are always a few fashion essentials that distinguish this year's summer gear from last year's. Last year was the year of white—whether old and antique, or spanking new broderie anglaise, all the chicest girls were clad in white with bright pink or ice-cream colours to provide some variation.

This year the colours are much the same but the big fashion

FASHION

story is the over-shirt. The shops are full of them and for those who want to buy a last-minute holiday wardrobe without spending a sum out of proportion to the couple of weeks the clothes are likely to be worn, I recommend a visit to Warehouse shops. There are seven branches, all of them, I'm afraid, only in London: the main branch is in Duke Street, London, W1. They depend upon a very quick turnaround of goods and the best way to use the shops is to pop in frequently.

Their sale starts on Tuesday and will last for about two weeks. It will be a marvellous opportunity to buy cheap but up-to-the-minute holiday clothes. Drawn below right is a selection of some of the buys—left is a tiered cotton skirt (£8.95) and a matching blouse (£4.95). Both come in a soft pink, pale blue, white, or grey, in sizes 1, 2 or 3.

On the right is a loose and easy over-shirt that can also be worn as a dress on its own (useful for popping over bikinis when going in for lunch). In rust, beige and white stripes it is chic, in ice-cream coloured stripes of green, pink and white, it is deliciously pretty. Sizes 10 to 14, £7.95. In the drawing the dress-cum-shirt is worn over fine white cotton trousers with the fashionable drawstring ties at waist and ankles. The cotton seemed to me too flimsy for the trousers to look very good on their own but they make a marvellously inexpensive part of a trouser outfit. In white, pink or green, sizes 10 to 14, they cost £6.95.

If you can't get to the Warehouse shops you could try sewing. Patterns nowadays have been so simplified that even those who were daunted before could now manage the specially easy patterns—these normally only require an ability to sew a straight seam. Photographed are two of Vogue's Very Easy Patterns—the over-blouse (7016, price £1.50) is worn over a tiered skirt (7085, price £1.25). These patterns are widely available and many shops offer marvellous bargains in fabrics at sale time. Next week I'll give some of the highlights of the fabric offers in the sales.



The career girl

CAROLINE HUNTER is Shop-bound for Vogue and spends a lot of her working life trying to get around London. She's begun to find that it was taking her longer and longer just to travel from one place to another and when a girl-friend bought a bike and she saw how useful it was she decided to buy one too.

"In this weather," she said (it being one of those few perfect summer days), "it's lovely and in the hot summer of two years ago it was really marvellous. I'd wear just a T-shirt and some Indian underpants with a drawing that I bought for 85p from Warehouse and I got the most wonderful sunbath."

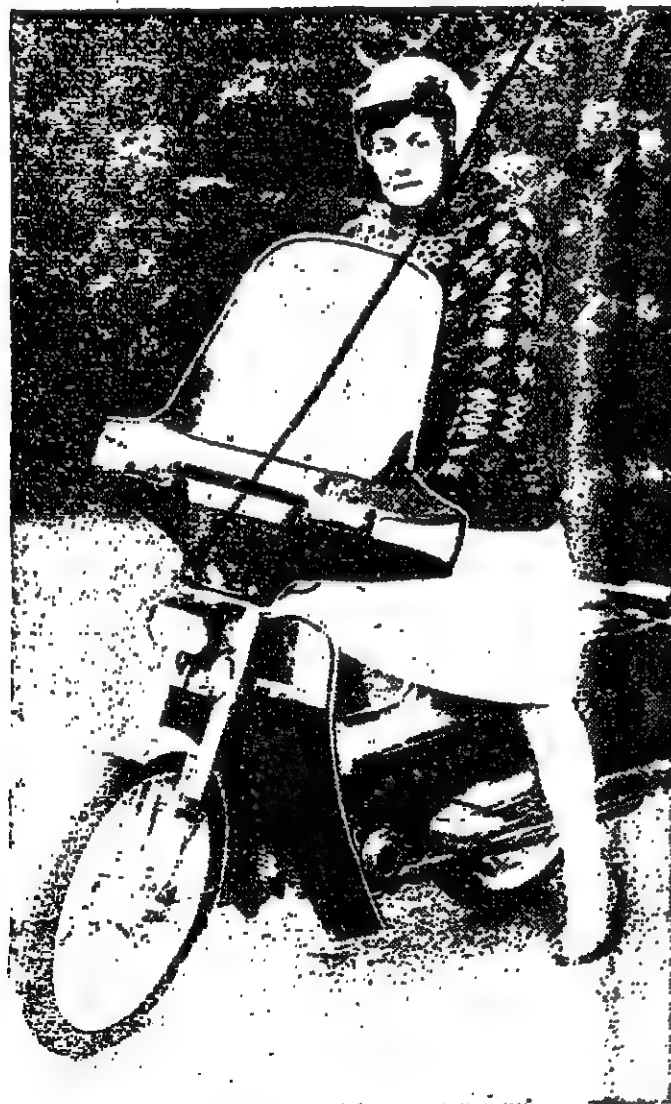
She bought a Honda ST70, the smallest motorbike around, and her father lent her the money, making her promise to be really responsible and careful about it. Indeed, she does think the machines are fairly dangerous—not so much because of the way they are driven but because so many people tend not to see them. She has had two accidents, both entirely unavoidable, and was once very nearly squashed between a lorry (she was riding in its blind spot) and a bus.

She finds it dangerous in wet weather and now takes very great care. She hardly ever uses it in the evening, always makes hand-signals, checks behind her and if it's chilly wears a pink fluorescent sweater to make her more visible. However, it does limit what she can wear and says she feels happiest of all wearing jeans or trousers. Very often this isn't possible in her job and she can get by wearing a skirt and lowish-heeled shoes. Hair is another problem ("I have to make sure it really is dry after I've washed it, because otherwise I get a ridge round the edge where the helmet has been"). Gloves she thinks are essential (if you fall you can graze yourself very badly) and ideally she would wear the kind of protective cover-ups that are sold specially for the purpose.

What she really likes about it though is what everybody who has one likes—it is so cheap to run, traffic jams are no longer any problem—she just weaves her way through them, and she can time almost any journey in London down to the last few minutes.



Pictures by Leonard Barr

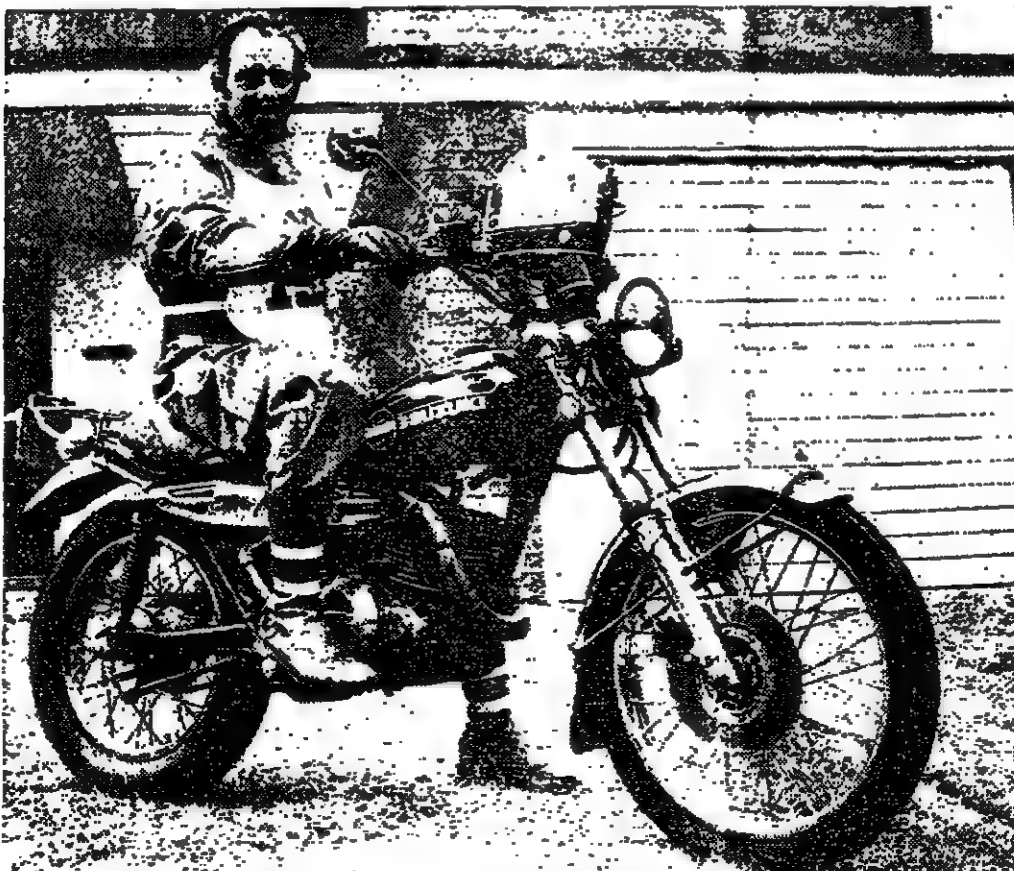


Busy housewife

FAIR HARVEY is a housewife who finds it very practical. She works as a doctor's receptionist only about two miles away from her home and she used to use a car. She asked if she could have a car and found the whole experience made her feel so overwhelmed, so exhilarated, that she was sold on it there and then. She's been riding a motorbike ever since.

Because she's not in her teens or 20s, which is the commonest age for motorbike riders, her appreciation of a motorbike did cause a lot of fascinated comment at first. "We didn't know you had it in you," said her friends and relations.

Mr. Harvey finds it makes her feel younger and gives her a lot of pleasure at the same time.



Man about the Capital

BRYAN WOLFE, head of talks and features for Capital Radio, took to riding a motorbike during the great fuel crisis of 1973 and has been doing it ever since. He went to talk to Sid, a dealer near his home in Stanmore. Sid recommended that he start on something small, like a 100 cc Suzuki and took him out for half an hour and showed him how to use it. He has not looked back.

He has a 16-mile journey from his home outside London to Capital Radio headquarters every day and whereas it used to take him between 45 minutes and an hour by car it now takes him between 20 and 25 minutes.

He quickly got used to clothes and weather. He dresses exactly as he needs to for his job and then puts an overcoat over the lot. When he arrives he removes the overcoat and there he is, as usual, immaculate as when he left home.

He is passionately concerned about safety and has indeed been

running many programmes on Capital Radio stressing the need for youngsters to be trained before setting out on the road. There are now plenty of very cheap schemes for training potential motorcyclists, started primarily because research showed that most accidents happened in the first few months after becoming a motorcyclist owner.

The best way to find out about local schemes for training motorcyclists is by contacting the RAC who will tell you where your nearest course is. Also a new national scheme code-named "Star Rider", approved by the Department of Transport, has been launched and it offers three different courses—one of four hours for 50, one of 12 hours for £10 and another (advanced) of 12 hours for £10. This scheme is run by STEP Management Services who have been greatly helped by traffic training in schools. Anybody with a young son or daughter pressing to ride a motorbike should make sure

he or she takes one of these courses first (details from STEP Management Services, 2308-11, Coventry Road, Sheldon, Birmingham, B26 3PB).

Even after training Bryan Wolfe still feels great care must be taken. He himself would never ride in icy conditions and he emphasises the importance of helmets by showing what a gentle accident ("just a light shunt at 40 mph") did to his crash helmet ("imagine if it had been my head")—the helmet was severely scratched and metal studs were torn out from the main fibre.

Bryan Wolfe himself now rides a 250 Suzuki which was originally designed for rough-riding so he's had the tyres and the brakes adapted for heavier traffic conditions. He does 62 miles to the gallon and the bike can do up to 75 mph.

The main thing, though, that he, like the other two drivers I spoke to, emphasised, is that motorcyclists make driving "fun as well."

Skin care

THIS IS the time of year when one is hoping to do one's best to forget about winter clothes—they're with us, long enough, after all. Nonetheless the London Suede and Fur Cleaning company offers such a good deal that even the most ostentatious of us ought to take notice.

Basically, the deal they offer is that during the summer (to be precise from July 1 to August 31) they offer a discount of 10 per cent on the price of cleaning suede, leather or fur.

To help those who do not live near the company's headquarters (402, Green Lanes, Palmers Green, London, N13 5XQ) they provide a strong paper bag, ready for posting which makes it very easy to send the garments to them. For 50p they will send you this postage pack and the price is deductible from the final clean price. It usually takes about a fortnight to clean a garment, which is insured and guaranteed. In addition they will send a free copy of a booklet on "Suede and Leather Care" with each coat sent for cleaning.

To give some idea of what a price-cut jacket in suede would usually cost about £10.00 while a long fur coat would be about £13.50.



Spin a salad

I FIND a special salad spin dryer is the only decent way to dry off salad ingredients. I used to dry them in a clean dishcloth and was forever spluttering the clean price. It usually takes about a fortnight to clean a garment, which is insured and guaranteed. In addition they will send a free copy of a booklet on "Suede and Leather Care" with each coat sent for cleaning.

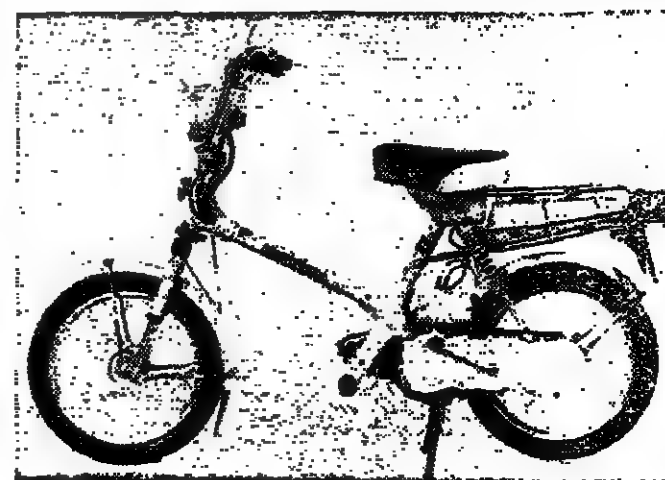
Tefal have produced a salad spinner that does everything that most of them do—that is, it and packing).

CLOCKS

The new British monthly magazine for world clock lovers.

Published by N. K. P. Ltd., Box 75, Bridge Street, Hove, Haverham, East Sussex BN1 1EP.

Published by N. K. P. Ltd., Box 75, Bridge Street, Hove, Haverham, East Sussex BN1 1EP.



ARTS/COLLECTING

Bowie

Bowie is back, but without the glitter, the glamour and the gay girly fantasies. He might be wearing turquoise leather rompers and a ruffian yellow top for the first half, but who isn't? This is a confident, happy, Bowie, finished with excess and quite content to sing through his songbook to his very faithful fans.

The atmosphere at Earl's Court on Thursday was much more exciting than for Dylan a fortnight earlier, mainly because

POP

ANTHONY THORNCROFT

the audience was giving more and was asking more of the star. They did not surprise. There was much material from the latest album which is solid street-level noise, and a natural predecessor to the new wave. It all hung together very well, making an assessment of the Bowie appeal seem simple. He sings powerfully, he moves smoothly with some



Tillerish high kick, and has some self-induced charisma. But his music is only powerful when he goes over the top: the average Bowie song is pretty average, especially the newer work which is heavily instrumental.

Of course a Bowie concert cannot be conventional. He can afford a good band and has one, and the lighting was exceptional, picking out the musicians for their solos and not playing up the star too excessively. For "Jean Genie" not only were the strips of neon, which made up the back-cloth, glaring brightly but more neon from above created a glowing cage around the man. It was as effectively theatrical as any image from his past, including, especially, including the Ziggy Stardust tedious escapade, which received the usual airing to a rapturous response. Bowie still lays on a powerful rock concert, an exciting drama, which he orchestrates as usually and as commandingly as Dylan. Whether it is all as much as it seems I doubt.

Bonnard

Pierre Bonnard is acknowledged today as one of the greatest painters of the century; but one whose reputation, for all biguousity, is not particularly well known. He is not particularly well known, but he is a painter, and no matter how much he might be admired by the community of artists, few within it would care to argue his case as a painter. His life was unremarkable, a direct and general example. His life was unremarkable, a direct and general example. His life was unremarkable, a direct and general example.

ART

WILLIAM PACKER

nature, people, has become less problematical, his hedonism again less threatening to our own guilt, less of an obstacle to our involvement in the work. We can see, and accept as mutually enhancing, on the one hand the image, the illusion, the reference to life; on the other the substance, the surface, the practical, technical magic of paint.

His paintings are astonishing things, and now the Leffers Gallery is showing 15 of them (until July 29), skimming lightly across his entire career, and including one or two works of the first importance, altogether a rare treat. The small self-portrait stands for them all, the artist peering tentatively at his subject, the contours soft, the form apparently blurred and imprecise; and then we see that the head is modelled in colour, firm, adventurous colour, pink, purple and yellow, unexpected yet entirely convincing a combination, the image perfectly re-



Pierre Bonnard: Self-portrait

solved. With Bonnard we start us gently through into his own light and sensation-filled world. The Great Art reveals itself in shared experience.

Parsifal at Camperdown

Camperdown House is the rehearsal studio of the English National Opera, but it is the Wagner Society's pocket Parsifal which has been happening there. (The final performance begins at 4 o'clock today.) It is a richly quirked enterprise: semi-professional, earnest, staged on a minibus, in the three-quarter round, with the Hammersmith Symphony Orchestra playing from a balcony above the audience. Few operas are less likely to gain from such enforced intimacy, even in English (a competent new translation by Roland Matthews and Andrew Medlicott); the effect was rudely de-mythological, sometimes to the point of travesty. The audience wriggled on exquisitely uncomfortable chairs — even the notorious Bayreuth seats were never like that.

John Blatchley's production hardly advanced a case for a Parsifal at close quarters.

Though the visible chorus was prudently reduced, there were enough of them to conceal the action often from most vantage points. Some devout members of the audience, realising that they were going to have to live with the elevation of the Grail on

OPERA

DAVID MURRAY

trust, actually flung themselves on to the playing-floor to peer between the Knights' ankles. Scenes with only two or three characters were invested with no more dramatic subtlety than conventional big-house productions offer, and in any case several principals were hampered by their curious costumes, variously bulky and be-furred. Parsifal looked like

a half-plucked bird, and the Knights and Esquires who hang upon Gurnemanz's opening narration were uniformly inadequate. It would have been hard to argue, then, with any Wagnerian who declared after the first act that this was all really rather awful. And yet, and yet: There was more than amateurish sincerity on offer. The dozen Flower Maidens were unexpectedly full-voiced and spirited, posing a respectable threat to the hero's chastity. Karl-Josef Kemper (whose English diction was easily the best to be heard) made a fine, menacingly poised Klingsor. If Bernd Fänder scarcely suggested Amfortas's anguish, he displayed a big, satisfying voice and a dignified presence. The conductor John Baird had a reliable sense of Wagnerian pace, and coaxed very creditable playing from his orchestra — particularly the winds: his brave strings faltered

here and there (the third act Prelude was an anxious affair). Simon Gilbert's Gurnemanz, unequal to his Good Friday raptures, nonetheless made a reassuringly sturdy lynchpin. Graeme Hathorn-Bruce, as Parsifal, a committed, nervy intensity which was altogether to the point: phrases in the upper register faded fast, but the rich gymnasium-acoustic flattered his youthful tone enough to let him round out an interesting sketch. I trust he won't try to reproduce it on a larger scale for a long time yet. Best of all was the Kundry, incarnated by Rita Chard with mature intelligence and daring attack, commanding despite a want of vocal substance in the lower mezzo range. The historic risks she took in the dialogue with Parsifal were justified by the dramatic excitement she created: here was a revelation of the power of the work, forcefully brought home in these improbable circumstances.

V and A buys Cecil Beaton

Sotheby's is disposing of the photographs that Cecil Beaton kept in his own collection. Last year the first group sold for £2,955 and at Sotheby's Belvoir yesterday a second batch fetched £15,137. The top price was the £800 for a snapshot album containing over 1,300 snaps taken by Beaton in the 1930s and 1940s.

The Victoria and Albert Museum was an active buyer, paying £1,630 in total. A photograph of Marlene Dietrich was bought for £200; one of Beaton himself for £300; a portrait of the Sitwells in the late 1920s for £260; and of Nancy Beaton for £220.

A furniture sale at Sotheby's made £371,821, with a top price of £47,000, double the estimate, around 1710.

for a rare early Louis XVI large commode, stamped Schleichig, attributed to Weisweiler. It is one of a pair which sold together

SALEROOM

ANTHONY THORNCROFT

at Sotheby's in the Lord Rose, very sale of 1984 for £13,000. Other high prices were the £15,000 from Phillips for a Louis XV marquetry and parquetry commode, and £10,500 for a Louis XIV bureau plat of 1710.

Christie's evening sale of net-suke on Thursday realised £95,200. The top lot, at £7,000, was paid by Douglas Wright, the London dealer, for an ivory net-suke of a wolf crouched over a large crab. Dated from the 18th century it was signed Tomotada of Kyoto. Wright also paid £3,800 for a stained boxwood netsuke of a rat grasping a bean pod by its tail, a product of his later years.

The same dealer paid £2,600 for a wood netsuke of a seated ape signed Tomokazu of Gifu. It dated from the 19th century. In a three-lot section of the sale devoted to — in a container for pills or potions — Hurler's U.S. dealer from Hawaii paid £3,000 for a gold sleeve of saddle slap

shape, elaborately decorated, from the late 19th century. Christie's also held a sale of 19th-century impressionist and modern paintings and drawings yesterday totalling £73,620, bringing the total for the week of sales to £3,081,610. A private Japanese bidder on the telephone from Tokyo paid £5,500 for a painting by Narisue Virgile de la Pena entitled *Sou. Bois*. The same buyer paid £5,000 for a Theodore Rousseau painting of *Une Etendue* and £4,500 for *Scenes de Foret* by the same artist. Stanley Gibbons three-day auction of British Empire stamps realised a total of £76,038. A proof sheet of nine attractive and very rare Rhodesian 1905 5d stamps, which depict the Victoria Falls fetched £1,500.

O'Brien on Disaster

Richard O'Brien is at it again. The creator of the Rocky Horror Show, the musical spoof of every post-war B-movie about mad scientists and lurking dangers, is unleashing a new work at the ICA next week. Called *Disaster* it is set on an island in the Bermuda Triangle and follows the fortunes of a group of well loved caricatures as they face imminent destruction from a tidal wave.

O'Brien has had one disastrous musical since *Rocky*, which is still running in London after five years, but has high expectations of *Disaster*. There is music, top: this time, classical melodies with O'Brien lyrics. He sees it as more of a drawing room comedy, and at rehearsal it seemed ripe enough to appeal to the original Rocky audience half a decade older and to the more daring Shaftesbury Avenue crowd.

Disaster is an easy going parody with characters like Stella Hippie "Joan Baez like in her sincerity" and Joe Warsaw "U.S. Senator - Butch Right Winger but plays at being Liberal," happily sending up a genre. O'Brien is equally easy going, which probably accounts for the fact that his new work is not getting the treatment afforded to *Rocky*, the latest from his musical competitors Rice and Lloyd Webber. There might be a transfer after the six-week run at the ICA but as long as the cast and the audience enjoys itself what does it matter?

He is more happy about the revival of the Rocky Horror cult in the U.S. "The film is doing good business in New York where the audience tends to dress up as its favourite characters. He keeps an eye on the London production. "You think it is dreadful then something happens and it all works again. With Hugh Thomas, who directed *City Sugar*, handling *Disaster*, and a lot of Rocky originals in the cast, there is a good chance that *Disaster* will work too.

TV RATINGS

W/e June 25

1 Winner Takes All (Yorks.)	14.45
2 World Cup Holland v. Italy (ITV)	14.26
3 Life Begins at Forty (Yorks.)	13.63
4 World Cup Argentina v. Holland (BBC)	13.58
5 Coronation Street (Wed.) (Gran.)	12.25
6 Charlie's Angels (ITV)	12.83
7 Wheels (ITV)	12.30
8 Coronation Street (Mon.) (Gran.)	12.18
9 Crossroads (Thurs.) (ATV)	12.10
10 Crossroads (Thurs.) (ATV)	12.10
11 Crossroads (Thurs.) (ATV)	11.79
12 World Cup Brazil v. Poland (ITV)	11.60
13 Crossroads (Fri.) (ATV)	11.55
14 Whodunnit? (Thames)	11.28
15 Sale of the Century (Anglia)	11.13
16 The Pink Medicine Show (LWT)	11.06
17 Year Only Young Talent (Yorks.)	10.50
18 Emmerdale Farm (Thurs.) (Yorks.)	10.48
19 Emmerdale Farm (Thurs.) (Yorks.)	10.43
20 People Like Us (LWT)	10.29
21 Are You Being Served (BBC)	10.29

Figures compiled by Audit of Great Britain for the Joint Industrial Committee for Television Advertising Research (JICTAR).

U.S. TOP TEN (National ratings)

1 Thelma Houston (comedy) (ABC)	21.1
2 Laverne and Shirley (comedy) (ABC)	20.8
3 Charlie's Angels (comedy) (ABC)	20.7
4 Happy Days (comedy) (ABC)	20.2
5 The Mary Tyler Moore Show (comedy) (ABC)	19.1
6 Alice (comedy) (CBS)	19.0
7 MASH (comedy) (CBS)	18.2
8 One Day at a Time (comedy) (CBS)	18.2
9 Quincy (drama) (CBS)	17.4
10 Fantasy Islands (comedy/drama) (ABC)	17.1

A Nielsen rating is not a numerical total.

CHRISTIE'S
8 King Street, St James's, London SW1Y 6QT
Tel: 01-839 9600
Telex: 916429
Telegrams: CHRISTIART

EXPERIENCE AND EXPERTISE... 347

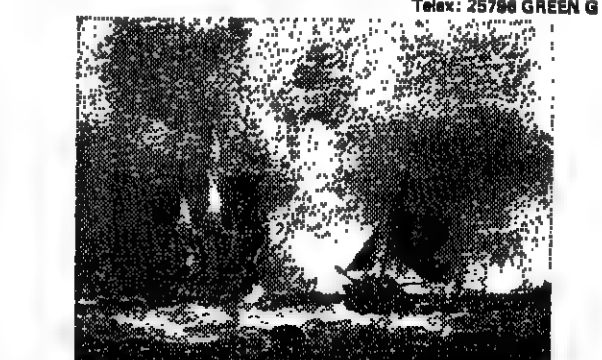


Grand Piano by Sebastian Erard, circa 1840, associated with Franz Liszt. Sale, Friday, July 21

"F. Liszt 23 June 40 for Mrs. (?) Shorn" — thus reads the inscription, apparently in Liszt's handwriting, on the west plank of this Grand Piano, associating it with the composer's second and most important visit to England from early in May 1840 to June 1841. In London he performed at the Philharmonic Concerts in June 1840 and, at the same time, apparently gave the first known solo piano recital there, under the aegis of the publisher Louis Henry Lavenu. In this context, it is of interest also to note Liszt's connections with Erard: on an earlier visit to London, in 1824, at a concert at Drury Lane Theatre, he "consented to display his inimitable powers on the new Grand Piano Forte, invented by Sebastian Erard." Unfortunately the second name on the inscription has not been identified as being among Liszt's acquaintances.

The Grand Piano is to be included in Christie's sale of Important Musical Instruments on Friday, July 21. For further information about this sale which also includes violins by Antonio Stradivari and Nicolo Amati — and about future sales — please contact Edward Croft-Murray or Rosslyn Neave at the address above.

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4 New Bond Street, London W1Y 9PE
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George Webster (1787-1832) A British Man of War with other ships off the coast of Cuba, 1812. Oil on canvas, 28 x 36 in. 91 cm.

BRITISH MARITIME ART
An Exhibition of Paintings, Watercolours and Prints

ART GALLERIES

ACHIM MOELLER GALLERY, 8, Grosvenor Street, W.1. Tel: 01-488 5511. Selection of British paintings, 18th-19th century. Masters: Mollinari, Leighton, Brauer, Mollinari, Ernst, Miro, Kline, Picasso and others. Through July.

BLOOM FINE ART LTD, 33, Saville Street, W.1. Tel: 01-488 5511. Selection of British paintings, 18th-19th century. Masters: Mollinari, Leighton, Brauer, Mollinari, Ernst, Miro, Kline, Picasso and others. Through July.

BRITISH MARITIME ART, 4 New Bond Street, W.1. Tel: 01-488 5467/499 5553. Exhibition of British Maritime Art, 18th-19th century. Through July.

DAVID CANNON LIMITED, 18, Duke Street, W.1. Tel: 01-488 5511. Exhibition of British Maritime Art, 18th-19th century. Through July.

OWEN EDGAR, 9, West Hulton, W.1. Tel: 01-488 5511. Exhibition of British Maritime Art, 18th-19th century. Through July.

RICHARD GREEN GALLERY, 4 New Bond Street, W.1. Tel: 01-488 5467/499 5553. Exhibition of British Maritime Art, 18th-19th century. Through July.

ROYAL EXCHANGE, City of London. Tel: 01-488 5511. Exhibition of British Maritime Art, 18th-19th century. Through July.

SLOAN'S STREET GALLERIES, 129, St. W.1. Tel: 01-488 5511. Exhibition of British Maritime Art, 18th-19th century. Through July.

W. R. HARVEY & CO (ANTIQUES), 87-90, Chalk Farm, N.1. Tel: 01-488 5511. Exhibition of British Maritime Art, 18th-19th century. Through July.

CLUBS

EVE, 169, Regent Street, W.1. Tel: 01-488 5511. Club nights, 10.30-1.30. Through July.

EXHIBITIONS

SCULPTURE IN TIME at Asprey. Exhibition of modern sculpture, 10.30-1.30. Through July.

COMPANY NOTI

Government of Southern Rhodesia, 4, Per Cent Stock 1987/92. Standard Chartered Bank Limited and B. C. J. Richau Esq., C.M.G., state that amount due to them, in the capacity as Trustees of Sinking Fund of the abovementioned Stock, in respect of the annual Sinking Fund contribution has not been received. The terms of it is provided for an annual payment before the close of Southern Rhodesian financial year on the 30th June.

FOREIGN HOTEL

SWITZERLAND, Arosa, Hotel Vitznau, 74232. Summer mountain resort, with open-air swimming pool, tennis, etc.

Old messages live on

THE GREAT old-time collections, whether they were of gaguins or Laurie lithographs or matchbox labels — were generally formed by collectors with discernment ahead of their time, who bought in periods where their particular passion was out of (or not yet come into) fashion, and disregarded. For today's collector the problem is in finding anything at all that can be said to be dis-revered. A strange compulsive nostalgia has settled on the race, and people of all sorts feel the urge to collect anything that links them to a comforting past and recollected youth, however recent.

Old enamelled advertising signs, which tend to be big, battered and of limited aesthetic appeal, are very much in this way, a collectable of our time.

COLLECTING

JANET MARSH

Christopher Baglee and Andrew Morley, however, have rationalised their now united collections of what they affectionately call "street jewellery," by assembling them with such dedication and comprehensive, exploring the economic and technical background to reveal an illuminating way of British social history.

Their collection, or at least the best 150 examples from it, is at present touring the country as an exhibition, which first opened at the Laing Art Gallery in Newcastle in April, and is currently at the Mappin Art

Gallery, Sheffield. It doesn't reach London (the Geffrye Museum) until March of next year, but meanwhile you can catch up with it on its peregrinations through Hull, Dudley, Nottingham, Southampton and Bristol. After London it ends up at Edinburgh and Dundee.

The enamel advertising sign belonged essentially to an age that had no conception of inflation. It was a time when you could with confidence exhibit an advertisement of near permanence (The Patent Enamel Company claimed its signs to be "The Plate that outlasts all others") which proclaimed Whitbread Stout and Mc at 2/6 the dozen. Lyon's 2d fruit pies, or The Daily Mail (the best along the line) at one penny.

Little wonder, then, that the decline of the old enamel signs already came in sight with economic uncertainties at the end of the First World War. They lingered on, nevertheless. Enamel signs were still produced in their thousands between the Wars, and even survived after rationing of iron and steel halted production in the Second World War. Today Garner Signs of Willesden Green (est. 1890) having absorbed many of their former rivals, are still ready to produce signs of the old bright brilliance to order. Signs of the times, indeed: today they are kept busy making reproductions of their old masterpieces (Black Cat, Oxo, Camp Coffee and the rest) to be marketed to collectors by Dodo Designs. Dodo, of 185 Westbourne Grove, are at the same time one of the main dealers in original old enamel advertising signs.

The nostalgia appeal to collectors is not hard to see. These were the ornaments of the little neighbourhood streets of industrial towns: Stephens' Ink and the Waverley Pen (which, with the Pickwick and The Owl, came as a Boin and a Blessing to Men) outside the Post Office; News of the World, Players Please and Bruno Plage outside the newsagents; and a whole gallery outside the corner grocers. Even those stamped-out copper letters glued with mastic varnish in artistic arcs on the windows of back street shops, advertising Cadbury Cocoa or Typhoo Tea (more often than not they said "TY HOO EA. of course") were all part of the trade.

In the country, big iron advertisements for Thorley's Cake or Spillers' Pig Food flashed at

VIROL

THE FOOD FOR HEALTH

you as the train whisked by: the railway was important both for the distribution and the exhibition — in stations and sidings — of enamel signs.

The history of signs goes back around 100 years. From their silence on the point, I gather that Messrs. Baglee and Morley, for all their research, have not discovered for certain who were the earliest advertisers. The trade was characteristic of that second Iron Age of Victoria's England. The elaborate art of applying a decorated porcelain or glass surface to a faultlessly prepared



metal surface reached this country in the 1850s.

The earliest uses of the new enamelled iron were more elevated than mere advertisements: Salt's Patent Enamel Works of Birmingham supplied decorated ceilings for the Palace of the Gaekwar of Baroda and for the no less palatial new railway termini. Signs seem to have been the first to build a factory purely for the production of advertising signs, though they were quickly followed by others: Chromo of Wolverhampton, Imperial of Birmingham, the Falkirk Iron Company, and Burnhams, Bruntons, Garniers and Wood and Penfold, all based in London. Baglee and Morley have traced a score of firms, including Madras Iron of India. Most of them were to vanish as poster boardings replaced enamel signs, in the new age of impermanence. Some firms went over to the business of enamelling baths and cookers.

Baglee and Morley have set down the whole story in a very attractive book, rich in colour pictures, designed to accompany the exhibition (*Street Jewellery*, New Cavendish Books, £3.95). Just to prove it can still be done, the cover bears a real vitreous enamel title plate specially made by Garniers. Or at least it is supposed to. If you have my luck the plate will fall off, leaving only a flattened blob of glue behind.



Continuing action in culture, independence and democracy.

CULTURAL EVENTS

3 JULY — 29 JULY 1978

commemorating the 167th Anniversary of Venezuela's Independence

- Art Exhibition, including works by Soto, Cruz Diez, Poleo and Ravelo. Official opening 1630 hrs, 5 July. For one month at The Warehouse Gallery, Earlham Street, London WC2
- Exhibition of Venezuelan life, industry and technology. Official opening at 1930 hrs, 3 July, at the Rembrandt Hotel, Thurlow Place, London SW7
- Conference on Venezuelan Science and Technology. 1000 hrs, 4 July, at the British Council, 11 Portland Place, London W1
- Wreath laying ceremony at statue of Simon Bolivar in Belgrave Square, London SW1. 1000 hrs, 5 July (Venezuelan Independence Day)
- Opening of Exhibition depicting the life and times of Bolivar at Canning House, Belgrave Square, London SW1. 1100 hrs 5 July. For two weeks
- Piano recital by Judith Jaimes, 1930 hrs 6 July at St John's, Smith Square, London SW1
- Piano recital by Alexis Rago, 1930 hrs, 7 July, at St John's, Smith Square, London SW1
- Visit of Ambassadors and Staffs of Bolivarian countries to the Lewes Festival, 8 July
- 'The Sound of Venezuelan Youth'. A concert of Venezuelan popular and folk music at the Shaftesbury Theatre, Shaftesbury Avenue, London WC2. 1930 hrs, 9 July

The Venezuelan Embassy cordially invites the general public to attend the above events

ART · MUSIC · FILMS · BOOKS · EXHIBITIONS

In a glass darkly

reflections

all forecasting techniques are basically on the idea that the economy can repeat itself; but when the shocks, guided by the economy are without precedent, as they have been in recent years, there is past which can repeat itself. This means that recent forecasts have not only contained

'ropeans

Section

The Commercial Manager.
Grabtree and Co. are refreshing to read national newspaper such as own Max Wilkinson's on circuit breakers in the 20 edition. This sort of news is usually confined to the *Financial Times* and the *Financial Review*.

There can be little doubt as to the benefit and advantage of commutating as much as possible of one's pension in addition to those stated at the beginning of Mr. Sher's article.

Based on the premise that the pension would be one-ninth of the capital sum, an immediate return of 11.1 per cent is offered with the likely extinction of the capital sum on the death of the pensioner and certainly so on the demise of his widow who may have been in receipt of a diminished pension prior to her death.

Maximisation of income being the advice to, and target of, the retired, a short study of the gilt-edged market will show that 12 per cent plus is readily available. With no risk whatsoever, income could be increased by at least 9 per cent or £10 per £1,000 of capital. In addition is the certainty that the capital sum will continue providing a similar return to the next of kin regardless of age and/or relationship.

This week's events at Bilston (Wales) were best kept at low key because of their possible political consequences.

quicker. A warning that it might prove difficult to match Bilston from its "spiral of decline" has already been issued by the Wolverhampton Borough Council, the local authority that embraces the town.

Against that background it is not difficult to appreciate the emotions aroused by reports that the BSC will be sold.

The most heartening aspect of the events of the last two days, according to the adgen committee, is the support it by unions throughout the industry. While national action has focused upon the

...owned Lambert Group.
O. Box 144,
...orloff House, Wellesley Road,
...troduction.

Products

From Mr. T. Mariotti

Sir, - I am sorry to see that in
his report (June 22) on state-
ments by the consumer associa-
tions and the CBI, on proposals
for reform of the law of pro-
duct liability David Churchill
repeats the canard that the
United States last year there was
estimated to be 1m products

demanded by the TWA or is
not too naive of me to expect
any such simplistic solution?
Perhaps Mr. Gilliland or Mr.
Thirkell will tell me.

I have an awful suspicion that
I shall end up paying increased
charges to both the TWA and the
local rating authority but I am
ever hopeful.

Wilfrid Newland
Kouche Hooshang No. 7,
Yekta Avenue Tajrish,
Tehran, Iran.

Water

From Mr. R. Thirkell

Sir,—I was most interested to read the second letter on June 23rd from Mr. Gilliland, Thames Valley University, who has been particularly to note that he now admits that the increase in the average household bill for water in London in 1979/80 was 10 per cent far higher than the average figures he previously quoted and very much nearer to my figures, that is, about 14 per cent or 17 per cent.

stairs pressure had been applied. Mr. Sims warned, as did others, that whatever the unions might decide officially, they were powerless if their members at the plant wanted to take the money and run. This

promise you that BSC is going to Bolton to stay. We are not going to abandon it."

He praised the speed and efficiency of the workforce, the quality of the plant, and pointed out that the works was "in the forefront of the world. There is nowhere else in the corporation, on the edge of the Black Country, where we are so close to the customer."

The shop stewards argue that the programme could easily have been financed from the £22.1m profits the plant had made over the previous five years. Mr. Turner accepts that

view that Thames Water has been guilty of attempting to "pull a fast one" over the public and that the hope is that it will in some way be "vented from making the 'fairly substantial increase' in charges in 1979-80 which is forecast in the information sheet?"

Mr. W. Theobald, 3, Clifton Road, N22, Alexandra Park, N22.

Posties

From Mr. J. Hurst
Sir—Without wishing to

Mrs. Montes Vincent (June 21) is right in thinking that a dust man would find a fellowship or chair at Oxford "extremely trifling as he would probably need to find the hours and would be a busy solicitor no less long or demanding. I am sorry that Mrs. Vincent suffered the misfortunes she describes, but that does not make her an authority on the maze of complex statute and common law which governs conveyancing. She is clearly a vic-

to occupy too much of your attention in this column, may I refer to Mr. Berry's letter (June 22) and the fact that the Considerers most certainly are not seriously transferring to my part of the burden of Kent.

As though spurred on by my previous comment, we our local Considerers are back again! I posted a letter at 9.0 a.m. just in time for our one post of the day (a Saturday morning post) to arrive at the top of the superlatively plausible aspect of publicity which misrepresents the facts. Unfortunately, it states that conveyancing is only or mainly a matter of form filling in the public interest if it is done with care and must conform with the framework of the legal profession unless an individual, at his own risk, wishes to undertake his own conveyancing.

S. P. Best,
29, Church Road.

According to BSC all that happened was that the melting shop manager invited the unions to discuss how the run-down was to be conducted in the event of it being agreed with unions at national level. Of six trade union seats on the main board by the end of next month. But whether the unions, and especially the rank and file, will be equally accommodated from now on is at least open to doubt.

The action committee believed that BSC was trying to create uncertainty which would encourage employees to drift away from the works. "Mr. Eric Arley, as a Labour Minister, must not encourage any loss of dignity of these working people," Mr. Turner says. "This situation must not be allowed to continue."

There are many charities for seafarers and their families. One, only one, however, is the *central* charity, charged with collecting and providing funds for all other seafarers' charities, and with making sure that the money is distributed where it can be of most use.

That central charity is King George's Fund for Sailors. Launched in 1917 at His Majesty's personal wish, KGFS distributes funds without distinction of service, of rank or of creed. The sole criterion is 'to distribute the money to the areas of greatest need.'

When you want to remember our seafarers who are in need, remember King George's Fund for Sailors. We'll see to it that not one penny of your

KGFS *King George's Fund for Sailors*
1 Chesham St., London SW1X 8NF

Steel: the not so golden handshake

BY CHRISTIAN TYLER, Labour Editor

The steelworkers' fears

By ARTHUR SMITH, Midlands Correspondent

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Profits the casualty in shopping war

BY ELINOR GOODMAN, Consumer Affairs Correspondent

SHOPPING PATTERNS have been thoroughly changed since Tesco just over a year ago signalled the beginning of open warfare among supermarkets by dropping trading stamps and going all out for sales. Tesco's sales have shot up almost to the £1bn mark; millions of pounds of business have been taken away from other traders, many of them, but by no means all, independently run.

The ripples caused by Tesco's decision to cut gross margins by four or five points have spread throughout the grocery trade and there is no immediate prospect of much more than a short-lived summer calm. Supermarket leaders are only half-joking when they privately suggest to each other that if one chain were to ease its prices upwards, they would follow. But while margins may edge upwards later this year, the feeling among many leaders in the grocery trade is that they are extremely unlikely to recover to the levels of before last June.

With large new stores being built all the time, there are simply too many shops fighting over the housewife's purse for there to be any sustained lessening of competition.

Virtually no contender in the price war has survived without some bruises to nurse from the last 12 months. Tesco's own sales may have leaped 43 per cent since it launched Operation Checkout, but despite this measure sales increase, pre-tax profits were 5 per cent down during the year to the end of February. Sainsbury, which relaunched in January with its own discount campaign, managed to increase its pre-tax profits for the year as well as boosting turnover by 22.2 per



cent. But its net margins fell too in the second half. Even the northern-based Asda chain, which has more experience than any High Street supermarket multiple of discount selling, had its net margins trimmed while the growth of other regional groups, like Hillards, has been slowed down.

Two groups, International Stores, the BAT subsidiary, and the Debenhams food division, Caters, have been pushed into the red and practically every company chairman with an interest in food retailing has warned shareholders of the impact of the price war on margins.

According to the Institute of Grocery Distribution, supermarkets' net margins narrowed from 2.1 per cent to 1.8 per cent last year. Net margins are the product of a number of

factors but the biggest single cause of this narrowing has been the cut retailers have had to make to the mark-up on the goods they sell. Gross margins throughout the industry have come down by at least two percentage points since last year. With food sales down 4 per cent in volume last year, practically every food chain decided that the only way to support sales was to emphasise price.

Ranking

All this has shaken up the traditional ranking order in the industry. If proof were needed of the importance shoppers now place on prices, it is the way in which trade has shifted. Broadly, business has gone to those groups which have made the most dramatic (and best publicised) cuts in gross mar-

gins. According to a survey carried out by the AGB research company, and based on a list of grocery items with big sales, until last June Tesco ranked 14th in terms of stores offering the lowest prices and third after the Co-op and Sainsbury in terms of sales.

In June it leapfrogged Sainsbury, Fine Fare, Mac Markets and all the other High Street chains to become the cheapest group in the country except for Asda. Since then its ranking in the price league has slipped slightly, with two other regional groups, Morrisons and Hillards, outdoing Tesco though still behind Asda in the price league.

But Tesco has held on to its sales gain in a way that few of its competitors expected. Today, it has around 13 per cent of the packaged grocery market as monitored by AGB

against about 8 per cent last spring.

The same correlation between price and market share is evident in Sainsbury's performance. As it improved its position in the price league in January, so it improved its market share from around 8 per cent to 10.9 per cent last month. Compared with Tesco's 50 per cent increase of market share, Sainsbury's gain may not look as spectacular, but by the standards of any other year, it would be remarkable. Moreover, as the management emphasises, Sainsbury's sales gain has been at least partly matched by higher profits. That is more than can be said of Tesco.

Between them, the two groups have taken over £200m of annual sales from their competitors in the packaged goods market. The biggest losers have been the independent stores—whose share has fallen from 21 to 22 per cent to 18 or 19 per cent—and those stores, like Woolworths, which make food only a part of their business. The Co-op's dominance of the grocery market has also been eroded by a further percentage point, though with around 18 per cent of the market, as monitored by AGB, it still remains far and away the biggest chain.

Setting aside occasional monthly fluctuations, most of the big High Street chains, like Fine Fare and International, have been able to hold on to their market shares. But the profit figures show that even standing still can be an extremely expensive business in today's market. Had it not been for the fact that some of these chains are part of larger companies, they might not have been able to fight in the way they did. Moreover the growth

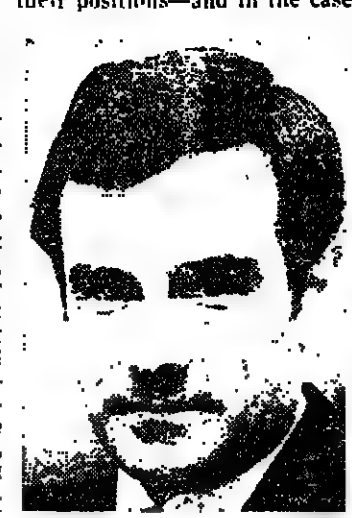
of the regional discounters like Asda has been slowed down. As yet, there have been no major casualties, though in the price war, some companies have retrenched. Debenhams, for example, has pulled out of the development of very large stores, while British Home Stores has closed some of its food halls and converted others to self-service.

Distributors are not the only companies involved in the price war. Their suppliers have inevitably been drawn into the fray too as companies like Robertsons, J. Lyons, and Heinz have pointed out to shareholders. The price cuts plastered over practically every supermarket window in Britain are the result of a series of complicated negotiations between manufacturers and retailers. Some manufacturers, particularly those making less popular brands, have come under increasing pressure for bigger discounts. Some have been able to resist this pressure, but even those that have are alarmed to see their brands selling at cost, or even below, in some supermarkets.

Emotive

The whole question of discounts is likely to become a major issue over the next few years. Some say it is of far greater long-term significance than price controls, which have been the most emotive subject in the trade for the past few years. The Monopolies Commission is studying the subject and the big question is whether it will come down in favour of restricting the amount of discount to the savings in costs involved in servicing a particular customer—as is done in the

U.S. This would mean an end to the kind of discount which is simply related to volume, and from which groups like Tesco greatly benefit.



Mr. Ian MacLaurin, managing director of Tesco.

of some of them the process looks like being a very uncomfortable one because the trade is sharply divided between those who favour discount controls and those who would lose by them. (Broadly, most manufacturers seem to be in favour, along with small retailers, while some of the big supermarkets are firmly opposed to controls, but there are splits in all the camps.)

The Monopolies Commission investigation will go far beyond the food trade alone, but the price war has focused attention on the way buying power in the grocery industry is being concentrated in fewer and fewer

hands. Last year the multiple groups' share of the food trade increased by another 2 per cent, and, despite the efforts of some of the voluntary groups, like Spar, the signs are that the trend is continuing this year. Unless shoppers become less concerned about prices, the independent sector seems bound to suffer more.

Overall demand for food has increased this year and this might suggest that housewives, with a little more money in their pockets, would be prepared to pay a little more for groceries. Certainly, retailers need to increase either their margins or their volume because as things stand this year the price of the goods they sell, some in the trade have taken heart from Tesco's 3 per cent fall in pre-tax profits and argued that the company will have to start easing its margins upward shortly if it is to satisfy its shareholders.

But while Tesco did not, as some people expected, mark the anniversary of Operation Checkout with a renewed price campaign, the management says it has no intention of relaxing the pressure, and even if it did ease up there are always groups like Asda around to take advantage of any such move. According to Mr. Ian MacLaurin, managing director of Tesco, the company will try to increase its sales of the more profitable non-food lines this year but will retaliate against any group which tries to undercut its prices. "Last year was a year we changed direction. This year we will show people that we can make money in it."

Weekend Brief

Don't cry for me

The official FIFA report that more fans, 1.7m, attended the 38 matches of the just terminated World Football Cup in six Argentine stadiums, where 86 per cent of the tickets were sold, more than in any previous World Cup, does not begin to explain just what the event has meant for Argentina. "For the first time in my life," said Rear Admiral Carlos Alberto Acoste, who was vice president of the committee which organised the Cup, "I saw all Argentina in the streets. It was not, as it always was before, when some celebrated outside, while others—saddened—stayed inside their homes."

Admiral Acoste was referring to the "drunken feast with out alcohol," as a West German correspondent—accustomed to the alcoholised carnivals in Cologne and Düsseldorf—termed the mammoth celebration, reputedly the biggest in history resulting from a sporting event, which erupted up and down Argentina after the 3-1 victory over Holland.

Apparently no Argentine stayed in his home saddened, unless it was Jorge Luis Borges, the country's leading man of letters, who repudiates the English for introducing "stupidities such as football." Young and old, Peronists and anti-Peronists, were on the streets waving, not their sectarian flags, but flags of identical colours: the sky-blue and white of the national banner. Truly, this had not happened in beleaguered Argentina for at least a century, if ever.

After eight years of warfare against the guerrillas, and a partisan division of the country which dates virtually from 1810 when Argentina proclaimed its independence from Spain, the republic was starved for a victory which could be proclaimed by all its citizens, even if it was such a "stupidity" as triumph in a crucial football match. "I'm happy," said Acoste, "because with this world championship, we have defeated defeat."

Two days after the final, in Plaza de Mayo, the Buenos Aires square—the scene of rabid rallies during the Peron years—which stretches out in front of government house, five thousand cheering school children, waving incandescent hooks, refused to "leave the central square of the Republic" until the Argentine dictator-President, Gen. Jorge Rafael Videla, appeared on the Government House balcony made famous by the late Juan Peron and waved to them. Only the day before, it surely seemed to virtually no one that such a balcony scene would be possible in Argentina for years to come.

The regime is doing its best to capitalise on the World Cup victory in a multitude of ways. All of them aimed at the launch of "The era of the modern, vigorous Argentina which has been reborn in a sentiment of profound Argentinism," as it was put by Gen. Hector Saint Juan, Governor of Buenos Aires Province.



Michael Sumner: see Expansion by Design.

Of course, the regime is basing its hopes for Argentina's rebirth on more than the victory of the Argentine national football team. Of much more importance is the fact that Argentina could bring off something so extensive and complicated as a World Cup in the face of so much hostility from abroad and assurances, especially in Europe, right up to the eve of the opening match, that chaos reigned. Montero guerrilla threats somehow to embarrass the regime while the world's attention was focused on the games produced virtually no incidents. If any further proof were needed that the guerrillas have been defeated in Argentina, the lack of blood in the streets, and the scant evidence even on the television screens around the world, of security precautions, may be said to have satisfied the need.

The Junta, however, apparently realises that the attacks on them from abroad, because of their human rights record, will not let up until they either release or charge the more than 3,000 jailed on suspicion of being involved in subversion. The three members of the Junta will be replaced this year, as from August 1 when Videla leaves, the Junta to remain as president only, and they are determined to "clean up" their ball as much as possible. One Argentine observer, taken with the spirit of watching so much international football, terms it.

Flight path

Leisure seems to hold a fascination for the expansion-minded in Britain's boardrooms. Latest to join the ranks is Great Universal Stores. The GUS subsidiary Global Tours appears to be the chosen vehicle for an attack on UK disposable income. Not much of that about? Well Gussies seems to disagree for Global not only intends capturing "a bigger share of the holiday market over the next few years" but is also "looking at investment opportunities across the whole spectrum of the leisure industry."

Just to show that this is not all talk Global has followed the route recently taken by tours competitor Intasun to the doors of the Boeing Corporation in

Seattle. Like Intasun, Gussies has been looking for three 737 jets and while everyone is being cautious about the orders it sounds as if the signatures are there in pencil and only await a few contractual details to be sorted out before they become fact. On past form Gussies would not get much change from £20m for such an order, but the cash would come from one of those complex international financing deals which are common in these circumstances.

Expansion by design

Today King Khaled of Saudi Arabia officially opens the new Equestrian Club in Riyadh. And among the guests will be Michael Sumner, of Kennedy Sumner, British interior design consultants. Kennedy Sumner's career got off to a good start in 1968 when its first ever commission was for the interior design of the residence of Crown Prince Hassan in Aman. Since then, it has gone from strength to strength with a list of eminent clients the world over, including Stanley Kubrick, Richard Burton and Stavros Niarchos.

Around 60 per cent of their work is for export and of that about half has been carried out in the Middle East. Contracts worth over £2m were handled in 1977.

Riyadh's new Equestrian Club—something of a misnomer since its only connection with horses is that it is situated next to the racecourse—will become the gathering/watering place for the Saudi meritocracy. According to Michael Sumner it is a cross between a country club and the Athenaeum. And the segregation prevalent in gentlemen's clubs in this country will of course be carried to its illogical extreme in the Equestrian Club: the women will have separate facilities including their own swimming pool and saunas.

Sumner considers it unlikely that male and female will ever meet under this particular roof. In early 1975, while the U.S. competitor Intasun to the doors of the Boeing Corporation in

Seattle. Like Intasun, Gussies has been looking for three 737 jets and while everyone is being cautious about the orders it sounds as if the signatures are there in pencil and only await a few contractual details to be sorted out before they become fact. On past form Gussies would not get much change from £20m for such an order, but the cash would come from one of those complex international financing deals which are common in these circumstances.

So Britain may well have six new Boeings and two new airlines by this time next year. Suggestions for names please not to me but to the companies concerned.

Kennedy Sumner's original design philosophy was to aim for a consistent theme based on the atmosphere of British clubs: cool, comfortable and conservative. All suggestions had to be submitted to the Minister of Finance and the Minister of Economic Planning with the net result that the design turned out to be a little less restrained and slightly more American in influence.

Nonetheless the final result is still a very cool scheme: white walls with shades of blue and greens for the carpets and furniture. Because of the intense heat wood, with its tendency to warp, has been avoided. Some tables were made from marble which was lacquered and marble surfaces were used extensively. There is very little chrome or steel. Cotton was used for the upholstery.

Everything went smoothly. "We enjoyed a good working relationship with the ministers," says Sumner. Indeed a large part of the continuing success in the Middle East is put down to this: "We understand their psychology."

But now it's back to British phlegm and rainy London—the next big contract is for a new corporate headquarters in the City.

Contributors:

Robert Lindley
Arthur Sandles and
Christine Burton.

Economic Diary

SUNDAY—Prime Minister and Princess Margaret at Golden Gala to celebrate 50th anniversary of equal voting rights for women, London Palladium.
MONDAY—TUC-Labour Party Liaison Committee meets, House of Commons. National Union of Mineworkers conference opens, Torquay. European Parliament in session, Luxembourg. Prime Minister opens "Right to Vote" exhibition, Westminster Hall. Eight major international banks meet in Zurich to discuss Turkey's

debts. CBI Monthly Trends report. Austrian Chancellor Bruno Kreisky in UK—attends opening of Anglo-Austrian Society's House with Mr. James Callaghan, Mr. William Whitelaw, Conservative Party Deputy Leader, Engineering Profession—a by-election meeting, Moss-side, Manchester.
WEDNESDAY—Commons Finance Bill report stage. Monthly meeting of National Economic Development Council. Prime Minister at National Health Service 30th anniversary reception, Lancaster House, SW1.

Monetary Fund sold auction. THURSDAY—Two-day Europe Council summit meeting opens, Bremen. Housing starts and completions (May). Scottish Marketing Board annual meeting, CBI conference on multinational lending agencies.
FRIDAY—Meeting of GI Finance and Establishment Committee. Personal income, expenditure and saving (1st quarter). Gross domestic product (1st quarter—revised).

THE FAMOUS GROUSE
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9.7 per annum gross with good prospects, because its investment is entirely in high technology, research and development, which explains how they can use available capital to offset at least part of the future burden.

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such a facility, besides yielding 9.7 per annum gross with good prospects, because its investment is entirely in high

not all fund managers, however, are convinced. "I am not a convert for the moment," Midland says, "for one, is still proclaiming the longer-term opportunities offered by the American market, which is the only serious competitor of the International Debt Trust is in the. The minimum investment is \$200.

Investors looking for income in unit trusts need a high yield, good prospects of capital appreciation and short interest intervals. Most trust managers tend to stick rigidly to standard twice yearly distributions. But then there are trusts like six months is a long time to wait for the next payment. The International Debt Trust is one of the few groups that is prepared to offer quarterly payments.

Designer Extra Income Trust is another. Its President says it has a 9.7 per annum gross with good with prospects, because its investors' attention to the Hambro Property Bond. The minimum outlay is \$1,000.

The fund was launched many years ago at the start of the property boom in the early 1970s, and it survived the subsequent slump, offering good conditions with institutions scrambling for first class property investments.

The Hambro Property Bond of property bonds has risen steadily from 120.6 on January 1 to 128.1 on June 1. Although it is not a slump, they are probably on a plateau for the next few months.

Finally, the demand for places in the top universities is still strong, though subdued despite the steady rise in the level of school fees. The M and G Group is drawing the attention of institutions to its new M and G School Fees Bonds, which explains how they can use available capital to offset at least

SUMMARY OF THE WEEK'S COMPANY NEWS

Take-over bids and mergers

Frank B. Hall, the third largest quoted U.S. insurance broker, has unveiled its expected \$25m takeover bid for Lloyd's broker Leslie and Godwin. After nearly three months in tense negotiations and the initial bid being aborted by a ruling of the committee of Lloyd's, Hall has made a deal which has met with the committee's approval. An intricate package has been constructed containing a cash bid of 125p a share for the whole of the Leslie equity and plans for a subsequent reconstruction of the Leslie companies. The reconstruction is to be completed by the end of the year—will channel all the Lloyd's broking interests of Leslie into one subsidiary, Leslie and Godwin International, in which Hall will hold a 25 per cent stake.

Petford appears to have failed in its last-ditch attempt to prevent Bourbourn taking over W. Henshall and Sons (Addlestone). The full Takeover Panel has rejected an appeal against rulings by the Panel Executive which forbade Henshall issuing new shares to Petford, thereby diluting the 50.6 per cent of Henshall's equity already held by Bourbourn.

It looks as if Mr. Norman Gidney is about to make another attempt to mop up the remaining shares he does not already hold in Warwick Engineering Investments. The board of Warwick, of which Mr. Gidney is chairman, is currently holding talks with Gidney Securities which are expected to lead to an offer being made for the outstanding minority shareholding.

Dealings in Econa were suspended on Wednesday at 70p after an announcement that the company is involved in talks which might lead to an offer. This approach follows the sale of an 18½ per cent stake in the company at the end of last year by Walter Lawrence to a number of institutional investors.

Centrovital is making a £30,000 bid for the ordinary and 8 per cent cumulative preference shares of Mansell Thorpe. The offer comprises 5p for each ordinary and 135p for each preference.

Cement-Roadstone has lifted its spending on acquisitions to over £12m in the past fortnight with the announcement that it has agreed a \$12.2m (\$6.6m) cash bid for Amerco Incorporated, a Los Angeles construction materials concern. Earlier this month, U.R. revealed that it had made an agreed £5.6m offer for J. and W. Henderson, the Aberdeen-based builders' merchants.

In a move which will create a company with around a third of the steering gear market, Adwest has bought a subsidiary of Dupont, the West Midlands industrial holding group. The company involved is Burman and Sons which is one of the leading manufacturers of steering gear.

Company bid for	Value of bid per share**	Market price**	Price before bid £m**	Value of bid £m**	Bidder	Final Acq'ce date
Prices in pence unless otherwise indicated.						
Albright & Wilson	195½*	178	123	115.04	Tennessee	—
Bridgewater Tst. Capital & County	6.6*	8	7	0.397	Sageat SA	12/7
Landridies	150*	142	97	1.57	Johnson Group	6/7
Carding Group	20*	20	20	4.64	Unigate	30/6
Comerco	65*	71	58	1.00	Armstrong	—
Customagie	20*	21	191	1.05	Equipment	4/7
Fluidrive Eng.	73	78	55	5.03	Molloy's Inv.	—
Harrissons	25*	25	25	1.00	The Filling	—
Malaysian Ests.	95½	109	90	115.78	Crossfield	—
Henderson (J. W.)	210*	204	155	5.85	Cement	—
Henshall (W.)	30*	341	18	0.50	Roadstone	—
Henshall (W.)	30*	241	21	0.75	Petford	30/6
Investment Trust	277	260	255	87.10	Barclays Bank	12/7
Corpn.	20*	28	28	7.7	Mr. T. Ward	12/7
W.C.A. Intl.	102*	137	123	11.47	Colonial Mutual	12/7
Land. Aust. Inv.	152*	137	123	11.47	Colonial Mutual	12/7
Land & Liverpool	21*	25	19	0.32	Aschheim Secs. & W. & A. S. Zag	—
Trust	25*	26	11	0.88	Blade Inv.	30/6
Marler Estates	200*	197	163	4.23	Hillshog AB	—
Mila Masters	83*	79	82	1.87	Mitchell Cotts	—
Mitchell Cotts	96*	92	72½	—	Group	—
Transport	—	—	—	—	Robt. Kitchen	—
RMT Textiles	—	—	—	—	Taylor	30/6
St. Kitts (London)	200*	200	170	0.78	Industrial	—
Sugar	—	—	—	—	Equity	—
Trident Group	63*	66	55	2.76	Starwest Inv.	—
Printers	145½	139	134	1.40	Dana Corp.	—
Turner Mfg.	50*	53	48	2.38	W. J. Glossop	3/7
Western Bros.	—	—	—	—	Newman Inds.	—
Wood & Sons	—	—	—	—	—	—

* All cash offer. † Cash alternative. ‡ Partial bid. § For capital not already held. ¶ Combined market. || Combined financial. ||| Date on which scheme is expected to become operative. ** Based on June 29, 1978. †† At suspension. ‡‡ Estimated. §§ Shares and cash. ||| Based on

* All cash offer. * Cash alternative. * Partial bid. * For capital not already held. * Combined market capitalisation. * Date on which scheme is expected to become operative. ** Based on June 29, 1978. † At suspension. ‡ Estimated. §§ Shares and cash. †† Based on June 30, 1978.

PRELIMINARY RESULTS

Company	Year to	Pre-tax profit (£000)	Earnings per share (p)	Dividends per share (p)
Bardon Hill	Mar. 31	1,200	(977)	18.4
Allen Balfour	Apr. 1	2,478	(737)	6.8
Barker and Dobson	Apr. 1	812	(649)	0.4
John Scott	Mar. 31	30	(304)	0.01
JSB Industries	Mar. 31	27,250	(27,149)	44.0
Brady Leslie	Mar. 31	2,380	(1,320)	23.9
Caird (Dundee)	Mar. 31	546L	(219)	—
Cattle's (Holdings)	Mar. 31	1,500	(1,220)	4.3
Chubb and Son	Mar. 31	13,523	(14,109)	17.5
Cont. and Indust.	May 31	1,820	(1,668)	6.7
Courts (Furnishg.)	Mar. 31	4,893	(4,871)	16.5
Electrocompans	Mar. 31	7,600	(4,540)	38.5
Giltspr	Mar. 31	3,220	(2,190)	9.8
Godfrey Davis	Mar. 31	3,700	(2,520)	22.3
Jas. Grant (East)	Jan. 31	788	(683)	17.3
Gesham House	Dec. 31	271	(250)	3.0
Halma	Mar. 31	844	(561)	11.8
Hickling Pentecost	Mar. 31	600	(421)	19.3
Humphries	Mar. 31	260	(35)	2.3
IC Gas	Mar. 31	26,350	(22,200)	42.6
Maurice James	Dec. 31	379	(153)	1.4
Lebor (S)	Dec. 31	1,020	(1,166)	4.1
Leopold Joseph	Mar. 31	683	(600)	21.0
LCP Holdings	Mar. 31	4,200	(3,600)	14.8
MK Electric	Apr. 1	5,948	(6,165)	31.8
Norcor	Mar. 31	14,512	(12,085)	14.7
Northern Glidmths	Feb. 28	364	(318)	6.2
Premier Oils	Mar. 31	327	(157)	0.26
Property Holdings	Mar. 31	2,001	(3,703)	12.3
Regain Inds.	Mar. 31	1,950L	(3,750)	—
Renold	Apr. 2	10,265	(12,367)	17.0
Renwick Group	Apr. 1	1,042	(470)	13.1
Seamless	Mar. 31	184	(205)	1.8
Standard Clutrd.	Mar. 31	126,150	(109,940)	78.9
Stand and Simpson	Mar. 31	2,230	(1,387)	3.7
Tecaleum	Mar. 31	3,703	(2,444)	12.3
Transwain Group	Jan. 31	62	(126)	—
Walker and Staff	Mar. 31	181	(198)	7.3
Weston-Evans	Mar. 31	1,700	(1,411)	14.0
Whitecroft	Mar. 31	1,087	(793)	6.2
Wilson Bros.	Mar. 31	573	(364)	5.9
Winturst	Mar. 31	573	(364)	5.9

INTERIM STATEMENTS

Company	Half-year to	Pre-tax profit (£000)	Interim dividends per share (p)
Ashdown Trust	May 31	370	(271)
BAT Industries	Mar. 31	231,000	(215,000)
Bett Brothers	Feb. 28	1,070	(1,710)
Blundell-Pmgaze	Apr. 30	905	(274)
Brunner Investmt	May 31	315	(276)
CGSB Holdings	Mar. 31	130	(118)
Cronite Group	Mar. 31	155	(113)
Eldridge Pope	Mar. 31	353	(330)
Hardys & Hansons	Mar. 31	797	(784)
Johnson & Barnes	Dec. 31	99L	(120)
M and G Dual	June 30	347	(233)
Norfolk Capital	Mar. 31	105	(46)L
Rakusen	Dec. 31	10	(28)
SCB Group	Mar. 31	4,492	(3,500)
Trust Houses Forte	Apr. 30	12,200	(10,400)

(Figures in parentheses are for corresponding period.)

* Assuming shown net except where otherwise stated.

† Dividends divided controls not reimposed. ‡ Comparison nine months. L Loss.

Rights Issue

LCP Holdings: One-for-four at 72p each.

Scrips Issues

Central and Sheerwood: One preference for 20 ordinary.

Brady Leslie: One-for-five.

Halma: Eleven-for-ten.

Offers for sale, placings and introductions

East Anglian Water Company: Offer for sale by tender £2m of 7 per cent redeemable preference stock 1983 at a minimum price of £97.50 per cent.

Metropolitan Borough of Sefton: Placing of £3m of variable rate redeemable stock 1983 at 109½.

APPOINTMENTS

Schroder Wagg executive posts

Mr. W. F. W. Dischhoff has been appointed a director of J. HENRY SCHRODER AND CO. He is managing director of Schroders and Chartered in Hong Kong. Mr. H. W. Holland, Mr. M. A. Cairns, Mr. N. R. Dunford, Mr. R. R. Jones, Mr. D. N. D. Netherthorpe, Mr. D. P. Palm, Mr. F. R. Sadhir and Mr. L. P. Sedgewick have become assistant directors of J. Henry Schroder Wagg.

Mr. Otto Barthel has been elected a director of DESOUTHER PROTHERS. Mr. Barthel has been in charge of the Desoutter subsidiary company, Desoutter GmbH, in West Germany since its formation in 1963 and in latter years has also taken on additional responsibilities in connection with Desoutter enterprises in Holland and Austria.

Mr. W. G. McPhie, former financial director of the Imperial Group, has been appointed in the Board of REVERTEX CHEMICALS as a non-executive director. Mr. McPhie joined Imperial Tobacco, as it then was, in 1943, working in the group's head office as a management accountant until 1953 when he became a director and secretary of Marden Son and Hall. He returned to group head office as chief accountant, becoming financial director in 1967, a post he held until his retirement last year.

Mr. R. W. Mathias has been appointed a director of MIDNIGHT POSTER ANDERSON AND CO.

Mr. Brian Churche has been appointed director of UK and Middle East operations of BESAM AUTOMATIC DOORS. He was previously general manager.

Mr. N. R. Bowcock has resigned as a director of A. J. WORTHINGTON (HOLDINGS) and Mrs. M. E. V. Gibson, and Mr. R. Foster have been appointed directors.

The Secretary for the Environment has appointed the following members of WATER AUTHORITIES:

PORTFOLIO MANAGEMENT, the investment division of Samuel Montagu and Co. has appointed Mr. Nigel Davenport and Mr. Derek Bond have been elected vice president of the BRITISH EQUITY ASSOCIATION for 1978-79.

Mr. Martin J. Crawford-Phillips has been appointed to the Board of MARITZ UK.

The Court of LOUGHBOROUGH UNIVERSITY of TECHNOLOGY has appointed Dr. E. W. French, formerly senior chief inspector at the Department of Education and Science, to the office of pro-chancellor and deputy chairman of the Council of the University, succeeding Mr. R. L. Wesel.

Mr. J. G. Bailey, Mr. C. D. Mitchell, Mr. J. Osborn and Mr. J. S. Sandilands, at present associated members of BUCKMASTER and MOORE, stockbrokers, will join the partnership on July 1, Mr. E. de Balleine leaves the partnership on that date, and the firm on August 31, and he will become an associate member of GREENFELL and COLEGRAVE, stockbrokers, on September 4.

Mr. Patrick L. Macdonnell has been appointed by JARDINE MATHESON AND CO. as an executive director. He will have responsibility for group financial services.

Mr. C. K. Gray, previously technical director, has been appointed managing director of ASHLOW STEEL AND ENGINEERING COMPANY, a subsidiary of Bridon.

Mr. H. B. Clarke, surveyor (development) for the BRITISH RAILWAY PROPERTY BOARD, Southern Region, has been appointed estate surveyor (development) North Western Region based in Manchester.

Mr. Peter Rees has left the NATIONAL COAL BOARD to become an international mining consultant, based in London. Mr. Rees, who was NCB's deputy director-general of mining and director of planning and major projects from January 1975 to June 1978, will operate from his new company, Peter B. Rees, Mining Consultants.

DNMONT has made the following appointments: Mr. Keith L. Thorne as administrative services director, and Mr. Clive J. Price, production director.

Mr. Stuart S. Jardine, managing director of Wimpey Asphalt, has been elected chairman of the ASPHALT AND COATED MACADAM ASSOCIATION for 1978-79. He succeeds Mr. B. W. Baker, executive director of Tarmac, J. M. Boardman, managing director of Ecceles, and Mr. J. G. Bailey, who has been made vice-chairman of the Association.

Dr. Allec Peffer, BRITISH AIRWAYS deputy director of medical services, has retired after 22 years with the airline, but he remains a consultant on international health. Dr. Peffer was largely responsible for setting up the invalid passenger service at Heathrow and the special medical centre there now handles 20,000 invalid passengers a year and a further 50,000 wheelchair cases.

Mr. P. A. Cox and Mr. J. M. Gaylor have been appointed directors of MINSTER INSURANCE COMPANY.

Mr. Frank A. Bennack has been named to succeed Mr. John R. Miller as president and chief executive officer of the HEARST CORPORATION. Mr. Bennack will take over the presidency of Hearst in January 1979, when Mr. Miller reaches his 65th birthday.

Mr. A. D. Rouseham has been appointed managing director of the WARREN AND MASON GROUP in place of Mr. E. R. W. W. Pears, who has resigned. Mr. R. T. Harris, a deputy chairman of Galloway, has joined the Board.

Mr. David H. Cairns has been admitted to the partnership of STOKY HAYWARD AND CO. He has been a manager with the firm for a number of years and will continue to lead its technical and training department.

Mr. A. H. Bogg, is to take up an appointment as regional veterinary officer, Northern Region at the MINISTRY of AGRICULTURE on August 1. He will succeed Mr. R. H. Ewart, who retires at the end of this month.

Dr. A. P. Fletcher has been appointed chief scientific officer at the DEPARTMENT of HEALTH and SOCIAL SECURITY in succession to Dr. J. C. A. Raison who is leaving to become a deputy director at the National Radiological Protection Board. Dr. Fletcher, who took up his appointment on July 3, is promoted to senior principal medical officer (under secretary). From October 2 Dr. Ian Field will become head of the department's international health branch and chief medical and health services adviser to the Ministry of Overseas Development. Dr. Field will continue as administrative services director, and Mr. Clive J. Price, production director.

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Changes at Equity and Law Life

Mr. W. R. Taylor and Mr. C. R. Wood have been appointed assistant general managers of EQUITY AND LAW LIFE ASSURANCE SOCIETY. Mr. Taylor continues to be responsible for sales and marketing in the UK. Mr. Wood remains in charge of overseas operations and for staff matters and following the retirement of Mr. S. Yallop, assistant manager on July 31, for data processing and organization and methods. Mr. C. J. Brockmore, chief actuary, and Mr. J. P. Smith, investment manager, will have the same seniority as the assistant general managers.

Mr. Donald Urry, director of special projects at DEBENHAM'S, has retired.

M. A. Legrand has been appointed a director of KEYSER ULLMANN HOLDINGS and Mr. E. R. H. Lee has retired from the Board.

Folkes Hefo sees fall

Mr. J. W. Hearnshaw, the chairman of John Folkes Hefo said at yesterday's AGM that while the profit in the current year would exceed the £1.6m earned in the closing six months of 1977 it would still be below the £1.95m earned in the first half.

Building supplies and housing had still made no contribution to profits.

Second half profits should, however, improve with contributions being made by building supplies and housing, resulting in a healthy improvement on last year's depressed £3.1m profit.

Expansion plans at Comben

With better prospects in sight Comben Group is actively seeking to expand by the purchase of new sites and by the acquisition of other house building companies, says Mr. Leon Roydon, the chairman, in his annual statement.

Demand for new homes has accelerated significantly in the early part of 1978 and after four years of decline, increased sales are being obtained and these two trends should be reflected in the current year's trading results provided no additional political influences are brought to bear on the industry.

The French house building operation has suffered from a year with lack of continuity due to the non-availability of suitable land in the Paris area—however early this year the position has been rectified by the purchase of a large site. In Portugal, the political situation has improved resulting in the sale of all stock houses and flats and there is the prospect of satisfactory sales for the current year.

Net assets per share at 36.59p (27.7p) have increased substantially following the purchase for cancellation of £4,112,723 of the 72 per cent convertible unsecured loan stock and borrowings have been reduced by over £2m. The land bank continues to be in excess of 6,000 plots which is sufficient for four years at current production levels.

As reported on June 2 pre-tax profits rose from £1.26m to £1.3m in the year to March 31 on turnover of £24.66m (£18.3m).

The groups ultimate holding company is London Merchant Securities. Meeting Bristol on July 27 at noon.

Caution from Sterling Industries

Following a sharp improvement in 1977-78 trading profit of Sterling Industries, Sir Nicholas Gaylor, the chairman, says in his annual statement that it remains to be seen, notwithstanding satisfactory order books at present, whether this level of performance can be sustained this year.

Nonetheless, as to the longer term, he tells members he is confident of the continuing progress and prosperity of the group.

As reported on June 20, pre-tax profits advanced from £506,175 to £523,176 for the year to March 31, 1978, excluding £113,810 of interest on Crewekerne Investments. Turnover was better at £4.8m (£4.18m).

Amos Hinton warns on first half

Difficult trading conditions for capital expenditure of £2.7m over Amos Hinton and Sons, the food the next 18 months. A considerable part of this will be spent on the implementation of the Company Plan, which was developed during the year as a positive programme of action by which the group will maintain its property in the face of severe competition within the food trade, the chairman explains.

As reported on May 19, after an 83.4 per cent increase at 28 weeks pre-tax profits finished the year at £1.73m, an increase of 19.7 per cent on the year to March 4, 1978, for sales excluding VAT, were £81.06m (£82.88m).

On a CCA basis, taxable profits are reduced to £1.3m (£0.73m), and adjustments on cost of sales will reflect the company's policy of operating medium-sized, conveniently-located supermarkets, the chairman states. Capital is also available for the development and the company is also acquiring a majority stake in the General of Athens.

Mr. Hinton reports that competition intensified before the start of the second half and there is no sign that "the price war" is abating. The need to maintain a price-competitive position has eroded gross margins, although an improvement in net margins is due to a more cost-effective use of resources.

The directors have authorised

Folkes Hefo sees fall

A statement of source and application of funds shows working capital increased by £339,143 (£448,000), depreciation £248,000 (£220,000), offset by gearing of £344,000 (£232,000).

Mr. Hinton reports that the most significant improvement has come from Huntley and Sparks where the fine production capacity has been turned to good account and given an adequate flow of incoming orders, he believes this level of performance can be maintained.

During the period, Sterling Instruments incurred a loss—over the years this company has not been able to work its way into developing products of sufficient profit margin or demand, the chairman says.

Steps have now been taken to restructure the management with the objective of turning the unsatisfactory position firstly into one of stability and thereafter progress, he adds.

At June 1, 1978, the Cayzer Trust Co. held 68.8 per cent of the equity.

Meeting, Cayzer House, EC, July 25, at noon.

STENHOUSE/HOGG ROBINSON

Hogg Robinson Group and Stenhouse Reed Shaw Group are to merge their insurance and broking interests in Southern Africa and will be operating under the name of Stenhouse Hogg Robinson (Pty).

Alliance Investment Company, Limited

(Member of The Association of Investment Trust Companies)

Highlights of Annual Report for year to 30th April, 1978

	1978	1977	
Total Assets	£16.9m.	£16.4m.	+15%
Assets per share	139p	120p	+16%
F.T.—Actuaries All-Share Index	208	181	+15%
Dividend	3.00p	2.45p	+22%

Geographical Spread of Portfolio

U.K.	56%
U.S.A.	19%
Far East	20%
Europe	3%
Elsewhere	2%

It is hoped that next year the Company will again provide an increase in earnings and dividend.

Copies of the Report and Accounts may be obtained from the Secretary.

The Foreign and Colonial Investment Trust Co. Ltd. The Cardinal Investment Trust Ltd. Alliance Investment Co. Ltd. Foreign and National Investment Fund S.A. Anglo-Nippon Export Fund

7/2 Laurence Pountney Hill, London EC4R 0BA Telephone No. 01-621 4680

Morn

Wall St. pre-holiday drifting

INVESTMENT DOLLAR

Effective 51.800-51.71% (11.21%)
STOCKS DRIFTED lower in slow trading on Wall Street yesterday, when many traders had already begun their Fourth of July holiday. The market will be open Monday but closed Tuesday for Independence Day.

The Dow Jones Industrial Average edged 2.68 to 1,818.35, making a loss of 4.07 on the week. The NYSE All Common Index, at 535.86, edged 3 cents on the day and 24 cents on the week, although gains led losses by 887-107. Trading volume for the week decreased 5.5m shares to 18.1m.

Several large block trades late in the session signalled final end of quarter portfolio window-dressing by the institutions.

As the Stock Market opened, Citibank raised its prime rate to 9 per cent from 8 1/2 per cent - its highest level since January 1977.

FRIDAY'S ACTIVE STOCKS

Stock	Change
Am. Express	+1 1/2
Am. Intl. Corp.	+1 1/2
Am. Overseas	+1 1/2
Am. Tel. & Tel.	+1 1/2
Am. Tobacco	+1 1/2
Am. Waterways	+1 1/2
Am. West	+1 1/2
Am. Zinc	+1 1/2
Am. Zinc	+1 1/2
Am. Zinc	+1 1/2

announced a quarter point rise in the Discount Rate to 7 1/2 per cent. Inflation worries persisted as the Labour Department reported Consumer Prices rose 0.9 per cent in May, or at a 10.8 per cent annual rate, the same as in April.

In other economic news, Farm Prices rose by 1 1/2 per cent in June from the previous month - Factory Orders rose at a moderate 0.7 per cent in May - and the dollar was little changed in Europe.

Inland Container added \$2 at \$32 1/2, up to \$34 1/2, will begin at \$35 a share after soon.

AMSTERDAM—Mostly firmer. Prices rose by 1 1/2 per cent in June from the previous month - Factory Orders rose at a moderate 0.7 per cent in May - and the dollar was little changed in Europe.

The American SE Market-Value Index moved down 0.14 to 143.35, making a loss of 1.72 on the week. But gains narrowly outpacked losses, by 278 to 274. Volume 2.26m (2.74m) shares.

CANADA—A firm note prevailed yesterday, when the Toronto Composite Index put on 0.8 to 112.62.

The Metals and Minerals Index put on 4.3 to 824.77, Utilities 0.20 to 170.35, Banks 0.25 to 274.94 and Papers 0.20 to 113.75. But Oil and Gas dropped 2.6 to 140.70 and Golds lost 3.1 to 141.10.

In the Oil Group, Husky Oil lost 3.85 to 38.75, Alberta Gas Trunk lost it holds 35 per cent of Husky shares.

PARIS—Firm with strength of

France attracting buying. Senate's voting of an amendment to Government's Share Investment Bill which will allow small investors to enjoy two tax concessions at same time also helped market.

Thomson rose Frs 2 to 197 on 24 per cent advance in 1977 consolidated profit.

BRUSSELS—Mixed in quiet trading.

For Foreign stocks, UK and U.S. also mixed, Germans and Dutch rose, Canadians little changed, French steady. Gold Mines fell.

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As the Stock Market opened, Citibank raised its prime rate to 9 per cent from 8 1/2 per cent - its highest level since January 1977.

Consumption related shares rose sharply reflecting a recovery of personal spending. Many Public Works improved in anticipation of further Government capital spending.

Stainless Steels also up sharply on a recovery of their domestic market.

AUSTRALIA—Minerals and Oils firm, as were Banks.

Among Minerals, Peke lost 10 cents to \$45.20 but other commodities were steady, as were Cols.

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Indices

NEW YORK—DOW JONES

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Dow Jones	1818.35	1821.03	1819.01	1817.51	1815.88	1813.20	1810.52	1807.84	1805.16	1802.48	1799.80	1797.12	1794.44	1791.76	1789.08	1786.40	1783.72	1781.04	1778.36	1775.68	1773.00	1770.32	1767.64	1764.96	1762.28	1759.60	1756.92	1754.24	1751.56	1748.88	1746.20

STANDARD AND POORS

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Standard & Poors	535.86	536.11	535.86	535.61	535.36	535.11	534.86	534.61	534.36	534.11	533.86	533.61	533.36	533.11	532.86	532.61	532.36	532.11	531.86	531.61	531.36	531.11	530.86	530.61	530.36	530.11	529.86	529.61	529.36	529.11	528.86

F.T. CROSSWORD PUZZLE No. 3707

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June 30

Index	June 30	June 29	June 28	June 27	June 26	June 25	June 24	June 23	June 22	June 21	June 20	June 19	June 18	June 17	June 16	June 15	June 14	June 13	June 12	June 11	June 10	June 9	June 8	June 7	June 6	June 5	June 4	June 3	June 2	June 1	June 30
Dow Jones	1818.35	1821.03	1819.01	1817.51	1815.88	1813.20	1810.52	1807.84	1805.16	1802.48	1799.80	1797.12	1794.44	1791.76	1789.08	1786.40	1783.72	1781.04	1778.36	1775.68	1773.00	1770.32	1767.64	1764.96	1762.28	1759.60	1756.92	1754.24	1751.56	1748.88	1746.20

STANDARD AND POORS

Index	June 30	June 29	June 28	June 27	June 26	June 25	June 24	June 23	June 22	June 21	June 20	June 19	June 18	June 17	June 16	June 15	June 14	June 13	June 12	June 11	June 10	June 9	June 8	June 7	June 6	June 5	June 4	June 3	June 2	June 1	June 30
Standard & Poors	535.86	536.11	535.86	535.61	535.36	535.11	534.86	534.61	534.36	534.11	533.86	533.61	533.36	533.11	532.86	532.61	532.36	532.11	531.86	531.61	531.36	531.11	530.86	530.61	530.36	530.11	529.86	529.61	529.36	529.11	528.86

F.T. CROSSWORD PUZZLE No. 3707

A prize of £5 will be given to each of the senders of the first correct solutions opened. Solutions must be received by Thursday, marked Crossword in the top left-hand corner of an envelope, and addressed to the Financial Times, 10, Cannon Row, London, EC4P 4BY. Winners and solution will be given in Saturday.

ACROSS

1 Across	Number of the south-east (8)
2 Across	Where howler taken off comes a rest (4, 3)
3 Across	Live another promise to (1

21
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 on 4:pcLn. 1912
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 JUNE 28
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 eworks 12:pcDz. 1985
 JUNE 27
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 and Son 4:pcCum.P
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 57

June 26
... Club 300 25C
... 27: 5

June 28
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... Stores Ord. (Z1) 510

June 29
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June 29
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Gals. (U.K.J.) 248 6 2

June 28
SAs (U.K.J.) 358 8 4 2
Associates 775 62':

June 27
SA (U.K.J.) 346 5 4 2

June 26
S (U.K.J.) 320 16

(U.K.J.) 98

Telephone 7621;
 105, U.K. 1 330 26 1
JUNE 23
 Associates 735
 Gas (UK) 733 2 0
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 (London)
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 82.
 June 30 Jan-

\$298.462	\$289.51
\$713.00	\$184.33
\$298.483	\$289.22
\$170.1125	\$17012
\$125.1035	\$11035
\$541.553	\$54150
\$125.6041	\$12591
\$55.555	\$5549
\$29.50	\$2950
\$188.1804	\$1884
\$111.16241	\$11016241
\$52.04	\$525
\$28.299	\$2829
\$5.554	\$554
\$29.40	\$2940
\$7.173	\$7277
\$142.148	\$14014
\$98.103	\$9810

1.39328	1.39
40.5450	38.5
6.99281	7.03
3.57200	3.55
2.76725	2.77
5.89770	5.86
109.15	106.
333.732	334
6.69738	6.72
97.8008	97.7
5.67447	5.64
2.50671	2.50

as per cent.	as per cent.
cent.	Rate
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Statistics provided
STREAM INTERIM

	Chear
	Dear(
Diff. %	Curr
- 0.5	+
86.9	+ 6
- 4.9	+
26.9	-
1.0	-
- 0.8	+ I
- 0.3	+
12.0	-
0.3	-
15.1	-

as per cent.
stock is curve
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cent. of the va

THE POUND SPOT

June 30 1976	Estimated end of deposits	Interbank	Local Authority deposits	Local Auth. negotiable bills	Finance House Deposits	Company Deposits	Discount market deposits	Foreign Bills: £	King's Bank Bills: £	Foreign Bills: £
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The following nominal rates are quoted for London dollar certificates of deposit: One month 8.05-8.15 per cent; three months 8.20-8.30 per cent; one year 8.80-9.10 per cent.
Long-term Eurodollar deposits: two years 97½-99½ per cent; three years 98-99 per cent; four years 99½-91½ per cent; five years 99½-100½ per cent.
Short-term rates are call for sterling, U.S. dollars and Canadian dollars; two days' notice for guilders and Swiss francs.

Wilkinson Match 10pc Cv. 83-98	11.10	87.00	40.0	78-83	11.5	11.7	38.5	29 to 40	2
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expressed as per cent of the value of the underlying equity. \diamond The difference between the premium and income difference expressed as per cent of the value of the underlying equity. $+$ is an indication of relative cheapness. $-$ is an indication of relative dearth.

OFFSHORE AND OVERSEAS FUNDS

[illegible][illegible]

[illegible]

